NOTICE IS HEREBY GIVEN that the Advisory Planning Commission of the Tahoe Regional Planning Agency will conduct its regular meeting at 9:30 a.m. on January 8, 2003, at the Horizon Casino Resort, U.S. Highway 50, Stateline, Nevada. The agenda for the meeting is attached hereto and made a part of this notice.


Juan Palma
Executive Director

This agenda has been posted at the TRPA office and at the following post offices: Zephyr Cove and Stateline, Nevada, and Tahoe Valley and Al Tahoe, California. The agenda has also been posted at the North Tahoe Conference Center in Kings Beach, the Incline Village GID office, and the North Lake Tahoe Chamber of Commerce.
All items on this agenda are action items unless otherwise noted.

AGENDA

I. CALL TO ORDER AND DETERMINATION OF QUORUM

II. APPROVAL OF AGENDA

III. PUBLIC INTEREST COMMENTS (No Action)

Any member of the public wishing to address the Advisory Planning Commission on any agenda item not listed as a Public Hearing or a Planning Matter item, or on any other issue, may do so at this time. However, public comment on Public Hearing and Planning Matter items will be taken at the time those agenda items are heard. The Advisory Planning Commission is prohibited by law from taking immediate action on or discussing issues raised by the public that are not listed on this agenda.

ITEM PAGE NO.

IV. DISPOSITION OF MINUTES

Approval of December 11, 2002, APC minutes. -1-

V. PUBLIC HEARINGS

A. Tahoe City Public Utility District Lakeside Trail Supplemental EIS -11-

B. Technical Amendments to Code Chapters 2, 4, 30, 53, 55 And Related Chapters, Goals & Policies IV, and Design Review Guidelines -13-

C. Recommendation for future adoption of the South Y Industrial Community Plan, and Related Amendments -33-
D. Amendment of PAS 077, Oliver Park, to Add Designation of Preferred Affordable Housing Area and Multi-Residential Incentive Area

E. Amendment of Chapter 20 Land Coverage Standards to Adjust the Excess Land Coverage Fees

VI. PLANNING MATTERS

A. Martis Valley Master Plan and EIR Presentation (Placer County Will Present This Item to the APC)

B. Initiation of the South Y Commercial Community Plan

VII. Reports

A. Executive Director

1. Report on Governing Board Actions Relative to APC Recommendations

B. Legal Counsel

C. APC Members

VIII. ADJOURNMENT
MEETING MINUTES

I. CALL TO ORDER AND DETERMINATION OF QUORUM

Called at 9:34

Present: Ms. Baldrica, Mr. Lohman, Mr. Cole, Mr. Combs, Ms. Tschogl, Mr. Jepsen, Ms. Kemper, Ms. Krause, Mr. Lane, Mr. Marchio, Ms. Moss, Mr. Oden, Mr. Plemel, Mr. Porta, Mr. Tolhurst and Mr. Sweeney

Absent: Mr. Harris, Mr. McIntyre and Mr. Poppoff

Quorum Established

II. APPROVAL OF AGENDA

Planning matter item A, Martis Valley, was continued to the January APC.

III. PUBLIC INTEREST COMMENTS (No Action)

No public comments.

IV. DISPOSITION OF MINUTES

Approval of November 13, 2002, APC minutes

Changes were made to page 2 on Carl’s comments regarding whether or not stakeholders outside the basin are more important than those in the basin this should reflect that Kevin corrected the comment to say that “stakeholders inside the basin are just as important if not more important than those outside the basin.” On page 5, “outlets” should be “retail outlets”.

MOVED
SECOND
No Nayes
Lee Plemel Abstained due to his absence at the last APC meeting.
MOTION CARRIES

V. PUBLIC HEARINGS

A. Amendment of the TRPA Code of Ordinances Chapter 81, Chapters 4 and 74, and Goals and Policies Land Use Element, Goal #1, Policy 6, to Implement an Improved Fertilizer Management Program, and Clarify Landscaping Exceptions under Exempt Activities and Reference Fertilizer Use Restrictions
Larry Benoit presented this staff summary and power point presentation.

Discussion ensued amongst APC members and staff regarding:

- Snow hardeners - whether snow making additive language is included in TRPA language anywhere, the fact that there are such additives and staff is not sure they are being used but if they are they can’t be used as a hardener and they can’t be used for snow making.
- 81.7.c - What the enforcement action will be if the “enforcement” is eliminated under this item and the fact that there is an abbreviated “enforcement” approach to this under the BMP retrofit but it is the last tactic staff wants to use.
- 81.7.c - regarding existing uses, where did the acre come from and what happens if a combination of residential and commercial equals over an acre because that could fall under this category which is an approach that came from a notification of discharge permits to parcels a size of an acre or more. Would fall under someone who is managing an acre or more.
- Whether the size description is necessary to be in the ordinance at all but rather just the management of larger sized areas. Since it does say management of larger sized areas at the end of the ordinance, it should be defined in the first paragraph.
- Tackling the administrative side of this ordinance through both education and if in the future it is necessary, the language could be made more specific.
- The graph shown demonstrating that the area containing the lowest phosphorous was rock land.
- 81.7.a.9 – Regarding the definition of critical areas in 81.7.a.
- A type error on page 25 under policy under b – “witch” should read “which.”
- The tracking program described in 81.7.c taking a lot of resources. How is that going to be done. Melissa Blake, Long Range Planning, was introduced and her job duties as assisting with this were described. The fact that she will be working on a more efficient way to deal with this than has been done in the future.
- 81.7.a – regarding the use of the language “fertilizer shall not be used” and then right after it says the “use shall be minimized.” The first sentence refers to management use and the second sentence refers to pre-existing landscaping management. That could be clarified more and it should be because the wording is used several places. It was suggested that it read “it not be used for long term management”.

A handout regarding an strategic plan for implementation of best management practices was passed from Matt Graham, Erosion Control.

Public Comment

Dan Sussaman, League to Save Lake Tahoe, stated earlier the need for outreach managers was discussed and he thinks that that language should be added 81.7.d. It is also not written anywhere that the fertilizer management has a goal of fertilizer reduction and that should be noted. Also, in 81.7.a.1 regarding the different opinions of varying agencies, it should be added that “shall include the following” rather than “should.” The same with “should demonstrate the need”, it should read “shall demonstrate the need”. In 81.7.a.11 where “a soil testing program may be required”, he would like it defined as to how TRPA will be assessing whether a testing program will be required.

Gary Midkiff, representing Edgewood Golf Course, stated he has been trying to address many areas of these changes and wording and thanks staff for working with him and his clients. He pointed out that shorezone ordinances are being looked at in terms of changes to definitions of the back shore that could substantially increase the area that falls into that definition and on page 10 in 74.2 the changes will require vegetation in the back shore. He thinks everyone needs to make sure they cross reference changed ordinances so that in one area it isn’t excluded and in another it is required. It might be helpful in 81.7.a
to add language that states “except as otherwise provided in this subparagraph” to avoid a contradiction. Also, under sub-paragraph 1 regarding the issue of “establishment” or “using phosphorous to establish vegetation” he thinks it may be more helpful to add language that will indicate that in some cases it is appropriate to use it. He is also concerned with regard to the change in shorezone ordinances that could expand some areas of the back shore. For example, under historic interpretations, at Edgewood Golf Course the 17th and 18th greens are probably just outside of the backshore. With these different modifications and ways of dividing the backshore, portions of those greens could very well be in the backshore. Those have been there many years and are established. Larry pointed out that very special techniques are available to eliminate the exposure of phosphorous to the soil and there should be provisions for this type of use given his example. Under 81.7.a “critical areas…where the use of fertilizers shall be avoided” concerns him as well. Their experience in working through storm water and other programs, they can not find any definition of what the monitoring should do or exactly what they are monitoring and sampling for. Different agencies have different requirements and different definitions. Is dissolved nitrogen, dissolved phosphorous, total phosphorous, or total nitrogen being looked for? There is clearly a need for standardized protocol that says when we are looking for fertilizer issues, we are sampling for these items and using these methods. Finally, in 81.7.a it says “if you are found to be in violation”, there is a real question that what staff is suggesting is that even if you are applying irrigation to an area, and it is being monitored we are going to apply a surface water standard. There is a factor of 10 difference between the ground water and surface water standards. For instance, the EIS for Stateline storm water that evaluated where the water would be discharged and what standard would be met. In that case, the EIS and the permits rose from the State of Nevada NDEP and from TRPA provided in most case that the ground water discharge standard was being met but, if they start applying the stricter surface water standard, major problems will be created. He is not sure this is exactly what the language means but if it is, they don’t know why that would be an effective method.

Larry Benoit responded that the “strictest standards” came from a comment from Tom Porta at the November APC meeting. Two things are being talked about. Receiving water standards are stricter. There is already a verbal agreement between NDEP, TRPA, Lahontan and EPA that TRPA will come up with uniform standards. They are not there yet but are working on it. The other element is that they have a clause regarding what is existing as a ground water standard actually is a treatment area standard for infiltration and it assumes the treatment path. If you are monitoring ground water per se, you should be meeting the stricter standard which is the surface water discharge standard. If there is a direct hydrologic connection and you are sampling from the ground water, you have a direct hydrologic connection and you want to see concentrations that are at the surface standard level. It is a consistency problem in chapter 81 that needs to be cleaned up when the standards are established. What is in there should be listed as a runoff treatment area standard where a 10 fold increase in concentration can be allowed because the assumption is that the treatment path before it gets to the ground or surface water. If it gets to the ground water directly, then you have to go the surface water standard. Therefore, it is a matter of what is being looked at. If a pool from irrigation that is 25 feet from ground water is being looked at, you can assume that there is a treatment path and you can see a 10 fold greater increase in that concentration and not be worried about it. There is an approach for a protocol being developed by LTIMP.

Steve Waclo, recent transplant to Carson City, stated he is concerned but somewhat uninformed. He thanked APC for their efforts. After hearing the comments presented, it reinforces to him that the large point source users of phosphorous are asking for guidance and targets. They are asking for a stable target and they should be congratulated for their efforts. The issue seems to lie with the general user. An issue that can be addressed, is recognition for efforts that are being made. It is easy to just to use fertilizer bought out of the basin. He is wondering if a signage or recognition program for the general user can be used. He bought a license plate that supports Lake Tahoe and thinks that similarly, a bumper sticker could be used for this issue. But some sort of recognition program should be used for those homeowners
that are doing something about their BMP’s such as the proud participant in the silent witness program. It has to be thought out. To carry that further, getting to the manufactures, an approach to them like slap on signs asking the user to think about how they are going to use the fertilizer. He thinks that no one out there is against keeping the lake clean. He worked for the safety clean organization and every organization they dealt with was given a large medallion to put on their doors. It showed they cared and everyone that went into the store knew it. The same could be applied to local retailers of fertilizer and to manufactures or even to landscapers, etc. Maybe then homeowners will ask their providers what they are doing. In addition, the bug stations could be looked at for the control of fertilizer importation. Mr. Walco stated that earlier, Mr. Benoit mentioned he looked at the nitrogen issue and Mr. Walco wanted to know about the source of that. Ms. Baldrica thanked Mr. Walco for his comments and asked to stay on the issue at hand only.

Jack Beckman, TCPUD project manager, stated he would like to ask a couple of points of clarifications. The TCPUD manages a lot of 1 acre or more areas around the basin. Is the application of size the totality of what they manage or each site? Mr. Benoit responded that it is the totality of the management not by site. The management does not change from site to site and is probably already tracked. Mr. Beckman stated he is struggling with TRPA and Lahontan on a current project and the current standards applied by both. It is more or less mandates of prohibition as discussed earlier for turf grass management irrigation within backshore areas. It gets extremely difficult when a beach type recreational access for the general public is being managed. It does sound as if there is some individualized management for specialized areas. In such a recreational area, is there some type of management reasoning. Mr. Benoit stated that he was involved in getting the turf removed from Commons Beach because it was in the back shore and the way staff views it, when a permit comes in for a project, maintenance for pre-existing vegetation is not just being discussed. It is a time to discuss getting the management out of those sensitive areas. There is such a thing as turtle turf that can be used in these areas so there are alternative management approaches and they can be looked at. Carl Hasty added that when there are existing uses like this project, we should be encouraging public uses versus residential. Residential is more ornamental where the public areas are actually being used. While we need to minimize the impact of public areas, we should be encouraging the use of public areas versus that in residential. Mr. Beckman concluded stating he had nothing but pleasure working with the staff at both agencies and asks that lines of communication be kept open regardless of what happens. Ms. Kemper thanked TCPUD for their willingness to uses alternative fertilizer.

Public Hearing Closed

Discussion ensued regarding added the language suggested on 81.7.a. Staff will craft the exact language and let APC know the final. In addition, adding the “shall’s” instead of “should’s”, the need for a future definition of what the standard will be, the clarification of discharge standards being relative to site conditions be defined better, 81.7.c will add an acre or more rather than just an acre, the suggestions regarding education and recognition will be looked into further and is not a part of this language, and staff’s belief that the language is clear on the inclusion of landscape managers in the public outreach approach.

There was a question of clarification as to the banning of phosphorous not being done here. It was explained that phosphorous is not being banned.

Further discussion regarding 81.7.a and the inclusion of any landscaping rather than just turf which staff did not feel was appropriate at this time. Ms. Kemper stated that this would primarily be applied to ornamentals that are not on more than 1 acre parcels. Mr. Benoit stated that that is probably addressed in the nursery’s and may also be applied under “large users”. Staff clarified that the language is clear as to only applying to acre yards.
MOVED Kevin Cole staff recommendation subject to the word smithing and Carl’s itemization. 
SECOND Tom Porta 

1 Naye Paul Sweeney - Mr. Sweeney felt that his no was clarified at the last meeting regarding the desire for the lack of need of phosphorous use throughout the basin. 
No Abstentions 
MOTION CARRIES

V. PUBLIC HEARINGS

B. Amendment of the TRPA Code of Ordinances Chapter 25, Goals and Policies 
Land Use Element, Goal #1, Policy 3, for Updates on BMP Retrofit 
Implementation Priority Dates and Programs

Larry Benoit presented this presentation with handouts and a power point presentation. Carl Hasty made clarifications.

Discussion ensued amongst staff and APC members regarding:

- 25.2.b requiring complete BMP’s rather than partial BMP’s as a part of the permit process now.
- 2006 being a freebee because the grants have run out under 25.3.a.3 a fee schedule will be developed.
- 25.3.a.5 referring back to section number 9 rather than 5 for enforcement because it is Article VIII that is a general provision and chapter 5 is where specific actions are available.
- Disclosure requirements being January versus July and whether or not those forms are available now. Staff stated that they will be. They are in draft and should be available prior to the first of January and the need for those forms to be distributed to every realtor in the basin prior to January 1.
- Under the assumption that the form asks if BMP’s have been installed and the owners having no idea what a BMP is, they will then have to get the information and the BMP’s done ASAP in order to sell the home. Is staff ready for this? How is this going to be done if there is snow on the ground? Staff has information available on the form itself. Staff does not assume that it will be done in the winter but that there will have to be site visits in the Spring. Matt Graham added that information is being worked on to be on the internet and he has been working with Mary Strohm on getting a workshop to realtors. Mr. Cole stated he has taken Ms. Strohm’s position and this needs to be coordinated with him ASAP. Ms. Kemper added that the form can be answered “I don’t know”. The purpose is to inform TRPA the property has been transferred.
- Concern over the sentence regarding the volume from a 6 hour storm over a 2 year recurrence probability because Lahontan’s plan requires a 20 year 1 hour storm and that is an average intensity of 1 inch per hour but if you just apply 1 inch per hour to the 6 hour storm, then you would be actually designing for 6 times the volume that is currently being required by Lahontan. Therefore, the suggestion was made that a 6 hour storm over a 2 year recurrence be replaced by the 20 year 1 hour storm wording. Staff concurred.
- Projects only being discussed. Whether or not it is appropriate to talk about Qualified Exemptions as well or apply to QE’s only in priority one. It was asked if language could be added that says that if no BMP’s are in a QE it needs to be considered as a project? Staff responded stating 25.3 applies to all properties rather they are in for a project or not. Currently, QE’s require BMP’s for only the affected area rather than the entire parcel. In order to change this in this ordinance other changes to the code would need to be made if the APC wants to include this. This would need to be done at a later time.
• 25.3.b regarding changing the effective date to July from January, which was approved by the board. The concern was expressed regarding the timeline being tight as far as getting the form out. There was concern regarding there having to be some room for exception at first if some sales fall through the crack. The reason for the timeline is it is loosely tied to allocations. Even though the wording reads “shall provide”, real estate agents are legally required to complete all disclosure and if it is not available for use by the time it is required, it will be a problem. There is question as to whether or not the January 1 date is feasible. The board made this mistake and there was some feeling it is not a feasible action. A date after May is more feasible. The response was that this is why the disclosure form is so soft. There is not a time requirement other than to get the form to the TRPA. The application of the necessary BMP’s is subject to the practicality.

• Discussion on 25.2.b regarding permanent BMP’s ensued regarding whether there should there be a reference to a standard or what has to be done? Staff response that there are a lot of BMP’s that would not be a requirement. The reference is to the program because the existing references are to the BMP handbook. They are intended to be appropriate to the site and meet the standards of developed properties. All the BMP’s need to be listed and the ones that are required need to be noted. Each chapter is specific to the chapter subject. I.e. Chapter 25 is specific to water quality.

• 25.3.a.3 a fee schedule for inspections and evaluations. NRCS is not allowed to charge for the services they provide. That needs to be explained in the ordinance somehow.

• 25.3.a.5 parcels with unpaved roadways needing to have BMP’s in place needs to be specified as to when.

• Under the 1 inch per hour isn’t this in the standards elsewhere? If so, it needs to be changed everywhere.

• Clarification 25.3.d is reference to the local jurisdiction being purposely eliminated? Yes.

Public Comments

Sarah Ellis, Nevada Realtors Governmental Affairs Director, stated they have been focused on scenic ordinances very heavily over the last year and the information to the membership regarding this issue has been diluted because of this. She stated this is simply an opportunity to educate the buyer and seller of the BMP retrofit process. The disclosure is modified to fit this purpose and an action plan to inform realtors and sellers is in place. In addition, this was a negotiation that took place over many issues including a release of part of the allocation process to be released in January and this is why the date is January 1. It was never intended to be June or July. That was a type error.

Mr. Cole stated that the South Shore Board of Realtors were not involved in this. Obviously title companies are going to have to be involved in this. Ms. Ellis stated that the title companies were involved. There are no lobbyist from South Shore involved and that is a problem but that is why they have not been involved.

Public Comments closed

Mr. Cole stated that he does not have a problem with the dates as passed by the Governing Board but the form needs to be out now and a team of people need to go out to real estate offices by the end of the week to discuss the form and need for disclosure. An aggressive approach needs to be taken.

Carl Hasty confirmed that the board adopted this as to begin in January. There is no action to be taken.

MOVED Mimi Moss moved to approve staff recommended action with the modifications to 25.2.b regarding the inclusion of QE activities for entire parcels bringing them up to the full BMP retrofit,
25.3.a.3 adding language exception for other agencies that do not charge fees, 25.3.b as written, 25.5.a.1 the two areas to change out 6 hour storm to 20 year 1 hour storm event and 25.3.a.5 timeline for parcels and unpaved roadways for enforcement to be considered in the final language.

Discussion regarding whether the change to QE’s be included in other chapters? There needs to be a notice to amend other chapters. Mr. Marshall stated this strains a bit out of what is noticed to the public unless there is something in chapter 25 that would allow for this change. If other chapters do be need to be changed, it should come back to the APC as soon as possible. Ms. Moss agreed to this change to her motion.

Additional wording for 25.2.b for public land where parcels are very large parcels needs to be made. Parcels are being defined rather than public areas. Project areas for large parcels are a 20 acre size. Therefore go back to the project area rather than the parcel size. There is a rule in chapter 20 to go by project area that includes the entire parcel or parcels affected. If you have a larger area then you can include sub parcels. The change agreed upon was changing 25.2.b.1 from “project parcel” to “project area”.

Under 25.3.a.3 where the proposal is to move the date up from 2011 to 2008 and implement a fee schedule in 2006 that will create a huge workload that no one will be able to handle. It was asked that staff consider this.

Under 25.3.a.5 it was proposed that an addition read “pursuant to the dates above” are subject to enforcement.

25.3.a.3 to add “certifications” after evaluations where NRCS or such may provide evaluations but TRPA could then charge a fee for a certification. There is not a need to add the wording but to agree that it is the function of the agencies. While the NRCS and the RCD’s are good components of this process there are others that can charge for the service and do the evaluations while working with NRCS or the RCD’s. The language addresses this as it is written. As it is now, everyone has to work together and this would further that. Further discussion regarding the preference for the wording as reading “exceptions, evaluations and certifications” was agreed upon.

SECOND Lauri Kemper

Ms. Moss & Ms. Kemper agreed to the amendments.

No Nayes
No Abstentions
MOTION CARRIES

Mr. Porta, Mr. Plemel, Ms. Tsochgl and Mr. Sweeney left after lunch. 12 Members remained retaining a quorum.

VII. Reports
A. Executive Director
   1. Report on Governing Board Actions Relative to APC Recommendations

Dean Heller, TRPA Governing Board Chairman, thanked the APC for their work over the last year. He thanked them for their technical abilities, their eye for detail and thanked them for helping him to
understand and impart the information on the items discussed at APC. He felt that there have been successes over the last year and feels that some issues could have been taken farther and others not so far. Sometimes things get a little too political and APC is used as the crutch. He thinks they have handled that well. He also thanked the staff for their effort and dedication. He thanked his staff for attending in his stead when he was unable to. Ms. Baldrica thanked him for his work and his presence in APC.

Mr. Palma reported on:
- Dave Solaro’s election to the Governing Board Chair Position
- Vice Chair Wayne Perock
- The presidential appointee, George, from Incline Village was appointed yesterday
- The speaker of the house position is vacant and will be filled soon
- The Scenic was approved at Governing Board and items with that are being worked on:
  - Cleaning up some of the language
  - Developing a strong public relations campaign
- Budget cuts have happened and the TRPA will have to consider those as well.

Mr. Palma wished APC happy holidays.

V. PUBLIC HEARINGS

C. Amendment of Map Showing need for Water Quality Improvements Pursuant to Requirements of Chapter 37, Individual Parcel Evaluation System, Section 37.10.A., Installation of Water Quality Improvements in Vicinity of Parcels

Tim Hagan presented this staff summary using a power point presentation.

Discussion ensued regarding:
- Table G1 differing from the slide shown. The fact that if no improvement is needed, you will get all 50 points should be pointed out a little clearer.
- Whether or not the IPES score for a vacant parcel being built on previously gets the increased score. No they do not. This is a matter of score and rank not coverage.
- The fact that Elk Point has no eligible parcels.

Public Hearing Comments
NONE

MOVED Robert Jepsen moved for approval of staff recommendation.
SECONCED Gary Marchio
No Nayes
No Abstentions
MOTION CARRIES

VI. PLANNING MATTERS

B. Discussion of Draft South Y Industrial Community Plan and Environmental Assessment
Peter Eichar presented this staff summary. Mr. Eichar asked for written comments or oral comments before December 26 for APC or January 9 for GB.

Discussion ensued between staff and APC members regarding:
- The identification of some parcels not included in this Community Plan that will be affected by this change.
- Lahontan would like language that the regional board must also make the man modified determination.
- The fact that this is almost the last incomplete community plan.

VIII. Reports

B. Legal Counsel

John L. Marshall reported on:
- Amended lawsuit awaited from the Committee for Reasonable Regulation that includes the ordinances that were adopted last month.
- Sierra Nevada College Status
- Gonzales Breakwater Status
- Supreme Court heard argument on takings case that will have relevance to Tahoe. It is a program that Lawyers participate in called Interest on Lawyer Trust Accounts. Interest goes to providing indigent services. Small individually but when it is pooled, it is larger and is used for rights of the poor. The argument is that the Government is taking right of money and owes for that. The interesting part is what is the relief available. In the past, you could only get money damages. The program remains in place. This case argues whether injunctive relief can be sought. Can you stop the program. The question to Tahoe is what will that do to the regulatory system.

VI. Reports

C. APC Members

Randy Lane found out recently that the TRPA has put senior staff members on the counter. That is a significant benefit to the public and commended the staff member for thinking of it. He also stated that some people are not being noticed for the cancellation of meetings and they should be. Also, Mr. Lane is concerned regarding the system of how files are handled internally. It seems to him that often a file is pieced out and this offers a chance for things to be lost or files to be put away incomplete and he would like to see that changed to a better system.

Bill Combs stated the Martis Valley plan will be brought in January.

Larry Lohman, stated that he thought it was a good idea to have one person do all the TRPA audits including the TRPA audit. He audited the audit with Paul Nielsen and felt it was helpful and hopes that can be done next year.

Alice Baldrica, thanked staff for all of their hard work this year. She complimented them on a job well done. She thanked APC for their attendance and effort and education. She asked staff to come in early with their handouts and to make sure everyone has a copy before they begin.

VII. ADJOURNMENT

Meeting adjourned 1:47 pm.
Respectfully Submitted,

_____________________
Jessica Wilson
Clerk to the Commission

This meeting was taped in its entirety. Anyone wishing to listen to the tapes may call (775) 588-4547 ext. 230 to make an appointment. In addition, written documents submitted at the meeting are available for review at the TRPA office, 308 Dorla court, Zephyr Cove, Nevada.
MEMORANDUM

December 19, 2002

To: Advisory Planning Commission (APC)

From: TRPA Staff

Subject: Lakeside Trail Phase IIA, Draft Supplemental Environmental Impact Statement (DSEIS), Request for Public Comment, Agenda Item V. A.

Proposed Action: There is no action requested on this item at this time. Agency staff is requesting that the APC offer comments and solicit public comments on the Lakeside Trail Phase IIA DSEIS. Additional public comments will be solicited at the January Governing Board meeting.

Background: The 60-day comment period for this document is December 20, 2002 through February 17, 2003. Copies of the document were mailed to the APC members with the January 2003 APC packet.

In May 1998, the TRPA Governing Board certified an Environmental Impact Statement entitled Tahoe City Public Utility District Community Trail Intertie Project. This DSEIS document is being prepared to supplement the original document with an additional alternative.

Proposal: This supplemental document examines a new trail alternative not previously analyzed in the original document. The DSEIS alignment proposes to attach a trail crossing on the lakeward side of the Tahoe City Dam. Construction of this alignment would eliminate the need to construct a separate bridge crossing of the Truckee River near Fanny Bridge. An Executive Summary of the proposal and potential impacts is located at the beginning of the DSEIS document.

Representatives from the Tahoe City Public Utility District and Auerbach Engineering are expected to be present at the APC meeting to answer any questions, along with TRPA staff.

If you should have any questions concerning this item, please contact Kathy Canfield at (775) 588-4547.
MEMORANDUM

December 31, 2002

To:          TRPA Advisory Planning Commission
From:        TRPA Staff
Subject:     Technical Amendments to Code Chapters 2, 4, 30, 53, 55 And Related Chapters, Goals & Policies IV, and Design Review Guidelines

Proposed Action: Based on the Governing Board’s November direction to prepare trailing amendments as part of the adoption of the scenic ordinance amendments, staff is requesting the Advisory Planning Commission (APC) conduct a public hearing on the proposed technical amendments to the scenic ordinance and recommend approval to the TRPA Governing Board.

Staff Recommendation: Staff recommends that the APC conduct the public hearing as noticed and recommend the Governing Board adopt the implementing ordinance amending Code Chapters 2, 4, 30, 32, 52, 53, 55, and 74 and Goals And Policies, Chapter IV (see Attachment A, with Exhibit 1).

Background: Beginning in August 2001 and running through November 2002, TRPA has held public workshops and presentations to various interest groups in the Basin to receive input on the proposed scenic ordinance amendments. The purpose of these hearings and workshops was to review the documents and provide public input to TRPA to assist in the preparation of the final draft for consideration by the APC and Governing Board. The Governing Board, at their regularly scheduled meeting in November 2002, adopted the scenic ordinance amendments with modifications to the proposed ordinances. The modifications resulted in changes to subsections relating to additional visual magnitude permitted, the maximum cap on scenic BMP cost, and the required mitigation ratio required projects that fall under Level 4 and 5 review. Furthermore, the Governing Board directed staff to prepare technical amendments to the ordinances, when it became apparent that further clarification was needed in certain sections for consistency. Staff was directed to bring the technical amendments back to the Governing Board for consideration in January 2003.

Discussion: At the December 2003 meeting staff presented an update to the Governing Board on the public outreach campaign to inform the general public of the adopted ordinances and to provide clarification of the intent of the ordinances modified by the Governing Board at the November hearing. Staff was directed to research the intent issue further and bring it back for consideration in January along with the other technical amendments. The technical issues being proposed for consideration include the following:

1. Amendments to cross-referencing of related ordinances
2. Clarification of the Third Party Expert Review
3. Clarification of the Height findings
4. Clarification of the intent of the mitigation requirements for structures that exceed the visible area standards.
5. Consistent use of terms like “Project Area” and “Site”.

The majority of the technical amendments are minor in nature and do not change the intent of the ordinance language. However, the proposed amendment to the mitigation requirements for structures that exceed the visible area standard is a substantial change. During the December report, discussion of the technical amendments ensued on issue four listed above and whether staff’s interpretation was consistent with the Board’s direction. Staff’s interpretation of the subsections requiring mitigation for structures in excess of 2,200 square feet for Level 4 and Level 5 projects was of concern to the Governing Board. The language from the two sections stated the following:

**Level 4 Mitigation**
The resulting allowable visible area square footage in the project area shall not exceed 2,200 sq. ft. The visible area square footage may be increased by 7.5% for each additional 10 ft. of linear lake frontage over 100 ft. Existing structures exceeding the 2,200 (or as increased by lake frontage) visible square feet standard shall mitigate any additional area square footage on a 1:1.5 square foot basis.

**Level 5 Mitigation**
The resulting allowable visible area square footage in the project area shall not exceed 2,200 sq. ft. The visible area square footage may be increased by 7.5% for each additional 10 ft. of linear lake frontage over 100 ft. Existing structures exceeding the 2,200 (or as increased by lake frontage) visible square feet standard shall mitigate any additional area square footage on a 1:2 square foot basis.

Staff has interpreted that this section only requires mitigation on that portion of the façade that is in excess of 2,200 square feet and would not result in applying mitigation on the baseline 2,200 square feet. For example, an existing structure has 2,500 square feet of existing visible façade and proposes to add an additional 500 square feet. Staff’s interpretation of the ordinance would require the applicant to mitigate 500 square feet at a 1:2 ratio, resulting in 1000 square feet if the project fell in a Level 5 review. Staff has interpreted that the applicant would only have to mitigate that square footage that is in excess of the baseline 2,200 square feet, which in this example would be 800 square feet because the additional 200 square feet would result in reducing the 2,200 square feet baseline. Applying this interpretation would result in a structure that has a visible area equal to 2,200 square feet. The result of this interpretation would result in smaller structures coming into conformance earlier and structures with larger visible façade coming into conformance with the standard over a period of time. As projects are permitted the visible façade is mitigated until it reaches the standards of 2,200 square feet. A more restrictive interpretation would require the applicant to apply mitigation on the total visible façade (3,000 square feet) that would result in a structure that has a total visible area of 1,500 square feet. This more restrictive interpretation results in mitigation being applied to the baseline 2,200 square feet.

Staff recommends that the language be modified to clarify that the mitigation measure is only required on that portion of the visible area that is in excess of 2,200 square feet. Staff is basing this rationale on the fact that the current ordinance in essence recognizes a baseline level of visual impact being 2,200 square feet. Under the interpretation that
the mitigation measure must apply on all portions of visible area would unfairly penalize a project when compared with an existing house with less than 2,200 square feet or a proposed new structure which can propose a structure up to 2,200 square feet of visible area without triggering this mitigation requirement.

Staff recommends that the ordinance language be modified as follows:

**Level 4 Mitigation**
The resulting allowable visible area square footage in the project area shall not exceed 2,200 sq. ft. The visible area square footage may be increased by 7.5% for each additional 10 ft. of linear lake frontage over 100 ft. Existing structures exceeding the 2,200 (or as increased by lake frontage) visible square feet standard shall mitigate any additional area square footage in excess of 2,200 sq. ft (or that allowed by lake frontage) on a 1:1.5 square foot basis.

**Level 5 Mitigation**
The resulting allowable visible area square footage in the project area shall not exceed 2,200 sq. ft. The visible area square footage may be increased by 7.5% for each additional 10 ft. of linear lake frontage over 100 ft. Existing structures exceeding the 2,200 (or as increased by lake frontage) visible square feet standard shall mitigate any additional area square footage in excess of 2,200 sq. ft (or that allowed by lake frontage) on a 1:2 square foot basis.

If the Governing Board interprets the language as envisioned by Member Ron Slaven, staff recommends amending the language to further clarify the intent as follows:

**Level 4 Mitigation**
The resulting allowable visible area square footage in the project area shall not exceed 2,200 sq. ft. The visible area square footage may be increased by 7.5% for each additional 10 ft. of linear lake frontage over 100 ft. Existing structures exceeding the 2,200 (or as increased by lake frontage) visible square feet standard shall mitigate any additional area square footage on a 1:1.5 square foot basis on the total visible area.

**Level 5 Mitigation**
The resulting allowable visible area square footage in the project area shall not exceed 2,200 sq. ft. The visible area square footage may be increased by 7.5% for each additional 10 ft. of linear lake frontage over 100 ft. Existing structures exceeding the 2,200 (or as increased by lake frontage) visible square feet standard shall mitigate any additional area square footage on a 1:2 square foot basis on the total visible area.

**Required Findings:** The following findings must be made prior to adopting the proposed ordinance amendments:

1. **Finding:** The project is consistent with, and will not adversely affect implementation of the Regional Plan, including all applicable Goals and Policies, Plan Area Statements and Maps, the Code, and other TRPA plans and programs.
Rationale: The technical amendments are administrative in nature and are intended to correct grammar, cross-references and clarify the intent of adopted scenic ordinance amendments. The technical amendments will allow for the consistent application of the scenic ordinances to projects.

2. Finding: The project will not cause the environmental thresholds to be exceeded.
Rationale: The technical amendments will not cause the environmental thresholds to be exceeded. As indicated in the 2001 Threshold Evaluation Report, the current process of evaluating scenic impacts based on a qualitative analysis has shown to be ineffective in meeting the threshold. The technical amendments are required for clarification and intent of the ordinances when applied to project review.

3. Finding: Wherever federal, state, and local air and water quality standards applicable to the Region, whichever are stricter, must be attained and maintained pursuant to Article V(d) of the Compact, the project meets or exceeds such standards.
Rationale: Any proposal that may come forth due to this provision will be required to meet air and water quality standards as set forth in the TRPA Compact.

4. Finding: The Regional Plan, as amended, achieves and maintains the thresholds.
Rationale: See findings 1 and 2 above.

5. Finding: The Regional Plan and all of its elements, as implemented through the Code, Rules and other TRPA plans and programs, as amended, achieves and maintains the thresholds.
Rationale: See findings 1 and 2 above.

Environmental Documentation: Staff has completed an Initial Environmental Checklist and proposes a Finding of No Significant Effect (FONSE).

If you have any questions or comments on this matter please call John Hitchcock at 775-588-4547, or email at jhitchcock@trpa.org.

Attachments A. Adopting Ordinance with Exhibit 1, Proposed Amendments
TAHOE REGIONAL PLANNING AGENCY
ORDINANCE 2003 –

AN ORDINANCE AMENDING ORDINANCE NO. 87-9, AS AMENDED, TO IMPLEMENT THE 2001 THRESHOLD EVALUATION REPORT; BY AMENDING THE REGIONAL PLAN OF THE TAHOE REGIONAL PLANNING AGENCY; BY AMENDING CODE CHAPTERS 22, 30, AND 53, AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO.

The Governing Board of the Tahoe Regional Planning Agency does ordain as follows:

Section 1.00 Findings

1.10 It is necessary and desirable to amend TRPA Ordinance 87-9, as amended, which ordinance relates to the Regional Plan of the Tahoe Regional Planning Agency (TRPA) by amending Code of Ordinance Chapters 22, 30, and 53, in order to further implement the Regional Plan pursuant to Article VI(a) and other applicable provisions of the Tahoe Regional Planning Compact.

1.20 These amendments are technical and administrative in nature and have been determined not to have a significant effect on the environment, and are therefore exempt from the requirements of an environmental impact statement pursuant to Article VII of the Compact.

1.30 The Advisory Planning Commission (APC) has conducted a public hearing on the amendments and recommended adoption. The Governing Board has also conducted a noticed public hearing on the amendments. At those hearings, oral testimony and documentary evidence were received and considered.

1.40 Prior to the adoption of this ordinance, the Governing Board made the findings required by Chapter 6 of the Code and Article V(g) of the Compact.

1.50 The Governing Board finds that the amendments adopted here will continue to implement the Regional Plan, as amended, in a manner that achieves and maintains the adopted environmental threshold carrying capacities as required by Article V(c) of the Compact.

1.60 Each of the foregoing findings is supported by substantial evidence in the record.

Section 2.00 Amendment of Chapter 22 of the Code of Ordinances

2.10 Section 22.7 is hereby amended as shown on Attachment A, Exhibit 1, dated December 30, 2002.
Section 3.00  Amendment of Chapter 30 of the Code of Ordinances

3.10  Section 30.15 is hereby amended as shown on Attachment A, Exhibit 1, dated December 30, 2002.

Section 4.00  Amendment of Chapter 53 of the Code of Ordinances

4.10  Subsections 53.10.B, is hereby amended as shown on Attachment A, Exhibit 1, dated December 30, 2002.

Section 5.00  Interpretation and Severability

5.10  The provisions of this ordinance adopted hereby shall be liberally construed to effect their purposes. If any section, clause, provision or portion thereof is declared unconstitutional or invalid by a court of competent jurisdiction, the remainder of this ordinance shall not be affected thereby. For this purpose, the provisions of this ordinance are hereby declared respectively severable.

Section 6.00  Effective Date

6.10  The provisions of this ordinance amending the Code of Ordinances shall be effective 60 days after its adoption.

PASSED AND ADOPTED by the Governing Board of the Tahoe Regional Planning Agency at a regular meeting held January 22, 2003, by the following vote:

Ayes:

Nays:

Abstentions:

Absent

______________________________
Dave Solaro, Chairman
Tahoe Regional Planning Agency
Chapter 22
HEIGHT STANDARDS

22.7 List of Findings: The findings in this chapter are as follows

(1) When viewed from major arterials, scenic turnouts, public recreation areas or the waters of Lake Tahoe, from a distance of 300 feet, the additional height will not cause a building to extend above the forest canopy, when present, or a ridgeline. For height greater than that set forth in Table A for a 5:12 pitch, the additional height shall not increase the visual magnitude beyond that permitted for structures in the shoreland as set forth in Subparagraph Section 30.15.EG, Additional Visual Magnitude, or Appendix F, Visual Assessment Tool, of the Design Review Guidelines Subparagraph 30.15.C(4)(b), Option 2 Visual Magnitude System or Subparagraph 30.15.C(5)(b), Option 2 Visual Magnitude System.
Chapter 30  
DESIGN STANDARDS

Chapter Contents

30.0 Purpose  
30.1 Applicability  
30.2 Design Review Guidelines  
30.3 Scenic Quality Improvement Program  
30.4 Substitution Of Standards And Guidelines  
30.5 Site Design Standards  
30.6 Building Design Standards  
30.7 Landscaping Standards  
30.8 Exterior Lighting Standards  
30.9 Water Conservation Standards  
30.10 Standards For Combustion Appliances  
30.11 Outdoor Advertising  
30.12 Scenic Quality Standards  
30.13 Establishment of Scenic Highway Corridors  
30.14 Soil and Vegetation Protection Standards  
30.15 Scenic Quality Review in the Shoreland

30.1 Applicability: All projects shall comply with the standards set forth in this chapter, except as noted below. In addition, exempt activities, as defined in Chapter 4, shall comply with sections 30.6, 30.9 and 30.10. Substitute design standards shall not apply to the review procedures and standards for projects in the shoreland. Appropriate provisions of the Design Review Guidelines and Scenic Quality Improvement Program may be considered as conditions of project approval.

30.6 Building Design Standards: In accordance with section 30.1, the following building design standards shall apply:

30.6.A General Standards: The general standards are:

   (1) The architectural design of a project shall include elements that screen from public view all external mechanical equipment, including refuse enclosures, electrical transformer pads and vaults, satellite receiving disks, communication equipment, and utility hardware on roofs, buildings or the ground.

   (2) Roofs, including mechanical equipment and skylights shall be constructed of nonglare finishes and earhtone colors that minimize reflectivity. For this subparagraph, non-glare earhtone colors are defined as Munsell Colors set forth in Appendix G, TRPA Approved Earhtone Colors, of the Design Review Guidelines, that have a value and chroma of 0-4.
For all structures visible from the Scenic Threshold Travel Routes and from Public Recreation Area and Bicycle Trails identified in the 1993 Lake Tahoe Basin Scenic Resource Evaluation, subdued colors of earthtone ranges shall be used for the primary color of structures. Colors shall be within a range of natural colors that blend, rather than contrast, with the existing backdrop vegetation and soils color. For this subparagraph, earthtone colors shall be medium to dark and shall meet the Munsell Colors set forth in Appendix G, TRPA Approved Earthtone Colors, of the Design Review Guidelines. TRPA may grant exceptions to this provision pursuant to Section 29.6, for scenic roadway corridors designated as urban, for unique situations such as site characteristics, or as set forth in Section 53.10. Structures in the shoreland that were constructed prior to January 1, 1950 may maintain their historic colors when doing exempt maintenance and repair.

30.12 Scenic Quality Standards: All projects and activities shall comply with the following standards:

30.12.B Roadway and Shoreline Unit Travel Routes: The project shall not cause a decrease in the 1982 roadway or shoreline travel route ratings as shown in Tables 13-6 and 13-7, respectively, of the Study Report for the Establishment of Environmental Threshold Carrying Capacities, October 1982. The criteria for rating travel routes as identified in the study report cited herein and as further explained in the report entitled A Scenic Analysis Of Principle Travel Routes In The Lake Tahoe Region, 1970, shall be used to determine if a project will cause a decrease in the numerical rating. For projects in the shoreland, Section 30.15 shall be used to determine if it will contribute to a decrease in the numerical rating for a shoreline travel route rating.

30.15 Scenic Quality Review in the Shoreland: To make the scenic findings required by Subsection 30.12.B, all projects within the shoreland of any Shoreline Threshold Travel Route shall be reviewed for compliance with the standards set forth below except for projects within marinas with adopted master plans and certified EISs, or structures designated as historic by TRPA, pursuant to Chapter 29.

30.15.A Definitions: The following terms, as used in Section 30.15 shall be defined as:

1. Lakefront Façade: Surface area of the lakefront elevation(s) for all primary and accessory buildings and other structures, with visible area for a given project area within the shoreland.

2. Visible Area: Surface area of all structures in the shoreland visible from 300 feet offshore and generally perpendicular to and centered on the project area. Surface area blocked by man-made structures in the shorezone shall count as visible area.

3. Visual Breaks: The application of landscaping to man-made structures that results in reducing the contrast and breaking the
overall visible area of a structure’s façade. This may be achieved by screening with vegetation, rocks, soil, and other natural appearing materials or by using such techniques between detached structures.

(4) **Visible Structure**: A structure with visible area.

### 30.15.B Review Process

The applicant shall complete a scenic assessment when applying for any activity requiring a TRPA permit; an applicant may apply for a scenic assessment at anytime to document the baseline condition. Review and mitigation of scenic impacts shall be based on the matrix in Subparagraph (2) Subsection 30.15.C below.

(1) **Scenic Assessment**: A scenic assessment shall be required prior to submittal of a project application. The scenic assessment will establish a baseline scenic condition for all following scenic impact analyses. The baseline shall be the existing condition at the time of the first scenic assessment, unless the site is the subject of an existing TRPA approval, by litigation settlement or otherwise, that contains a scenic analysis, in which case the approved scenic analysis shall be the baseline. For purposes of this Section, un-built projects with an active permit shall be considered as existing.

(a) Description of existing scenic conditions in the project area including, but not limited to, structure color and height, existing visible mass from the Lake, types and areas of materials of existing structures, and identification of needed scenic BMPs.

(b) Identify existing vegetation types, location, size, and height.

(c) Photographic inventory of the site project area from 300’ and one quarter mile offshore, with at least one photo from center and perpendicular to the project area, and photos of onsite existing conditions.

### 30.15.C Levels of Scenic Mitigation

The following levels of scenic mitigation shall be required based on the level of the activity or project:

(1) **Level 1**: All projects and activities on existing visible structures in the shoreland that are considered repair or maintenance. This includes exact in-kind replacement. There are no mitigation requirements required except as noted in Level 2.

(2) **Level 2**: All projects and activities on existing visible structures in the shoreland that are considered painting, re-siding, re-roofing or similar activities that affect the color of the structure. The mitigation requirements for this level shall be the color requirements set forth in Subsection 30.6.A.

(3) **Level 3**: All projects on existing visible structures in the shoreland altering or increasing the lakefront façade area of an existing visible structure 20 percent or less and the result is 1,500 square feet or less of lakefront façade or non-repair projects on structures adjacent and lakeward of the shoreland. The mitigation requirements for this level shall be the implementation of scenic BMPs in the shoreland.
The BMPs shall bring the project area into conformance with a minimum contrast rating score of 21 except where:

(a) it is physically impossible to attain a score of 21 through application of scenic BMPs; or

(b) the cost of the scenic BMPs required to increase the baseline contrast score to 21 exceeds ten percent of the cost of the project; and

(c) if the project is not required to bring the project area into conformance as a result of subparagraphs (a) and (b) above, the applicant shall attain the highest possible score.

(4) **Level 4**: All projects involving existing visible structures in the shoreland which altering or increasing the lakefront façade of an existing visible structure and where the altered/added area is 20 percent or less of the existing façade and the result is more than 1,500 square feet of total lake front façade, or where the altered/added area is greater than 20 percent but equal to or less than 50% of the existing lakefront façade, or where the project is a new accessory structure. The mitigation requirements for this level shall be as set forth in Option 1 or Option 2 at the applicant’s choice.

(a) **Option 1 Basic Review**: The Projects shall meet the following mitigation standards:

(i) The project area shall score a minimum of 24 points based on the Contrast Rating System; except where:

   (A) it is physically impossible to attain a score of 24 through application of scenic BMPs; or

   (B) the cost of the scenic BMPs required to increase the baseline contrast score to 24 exceeds twenty percent of the cost of the project; and

   (C) if the project is not required to bring the project area into conformance as a result of subparagraphs (iA) and (iB) above, the applicant shall attain the highest possible score.

(ii) The resulting allowable visible area square footage in the project area shall not exceed 2200 sq. ft. The visible area square footage may be increased by 7.5% for each additional 10 ft. of linear lake frontage over 100 ft. Existing structures exceeding the 2200 (or as increased by lake frontage) visible square feet standard shall mitigate any additional area square footage on a 1:1.5 square foot basis.

(iii) A minimum building setback from the backshore boundary line shall be 10% of the lot depth not to exceed 20 feet. Each side yard setback shall be 10% of the lot width or the setback established by the local jurisdiction whichever is greater. Existing
structures shall not be required to conform to setback standards. No expansion of structures shall be allowed in the setback area. At grade decks, erosion control structures, stairs, and similar structures are permissible in the setback at the allowed land coverage.

(iv) The height standard, including but not limited to the height limitations, findings, and regulations set forth in Chapter 22 for structures shall apply.

(v) Visual breaks shall be required on all structures. At a minimum, breaks shall be spaced along the lakefront façade to provide approximately 250 square feet screening for every 1000 square feet of lakefront facade. A break should extend vertically to two-thirds of the structure height and horizontally to approximately 10 feet. TRPA may approve equal or superior alternatives to this standard.

(b) **Option 2 Visual Magnitude System**: A project must score a minimum contrast point score for the desired square footage of visual magnitude based on Appendix EH, Visual Assessment Tool, of the Design Review Guidelines or if non-complying, shall implement Scenic BMPs as required in Option 1 in (4)(a) above; and:

(i) The visible façade square footage may be increased by 7.5% for each additional 10 ft. of linear Lake frontage over 100 ft;

(ii) Visual breaks shall be required on all structures. At a minimum, breaks shall be spaced along the lakefront façade to provide approximately 250 square feet screening for every 1000 square feet of lakefront facade. A break should extend vertically to two-thirds of the structure height and approximately 10 linear feet horizontally. TRPA may approve equal or superior alternatives to this standard; and

(iii) Existing projects not complying with visual magnitude shall implement visual breaks and improvements that demonstrate a percentage toward attainment determined by the cost of the project over the replacement cost of the structure.

(5) **Level 5**: All projects in the shoreland altering or increasing the lakefront façade area of an existing visible structure more than 50 percent or proposing a new visible structure exclusive of new accessory structures. The mitigation requirements for this level shall be as set forth in Option 1 or Option 2, at the applicant’s choice.

(a) **Option 1 Basic Review**: As a result of the project, the project area must score a minimum 28 points based on the Contrast Rating System. The projects shall meet the following mitigation standards:
(i) The resulting allowable visible area square footage in the project area shall not exceed 2200 sq. ft. The visible area square footage may be increased by 7.5% for each additional 10 ft. of linear lake frontage over 100 ft. Existing structures exceeding the 2200 (or as increased by lake frontage) visible square feet standard shall mitigate any additional area square footage on a 1:2 square foot basis.

(ii) A minimum building setback from the backshore boundary line shall be 10% of the lot depth not to exceed 20 feet. Each side yard setback shall be 10% of the lot width or the setback established by the local jurisdiction, whichever is greater. Existing structures shall not be required to conform to setback standards unless the proposed modification makes it feasible. No expansion of structures shall be allowed in the setback area. At grade decks, erosion control structures, stairs, and similar structures are permissible in the setback at the allowed land coverage.

(iii) The height standard, including but not limited to the height limitations, findings, and regulations set forth in Chapter 22 for structures shall apply.

(iv) Visual breaks shall be required on all structures. At a minimum, breaks shall be spaced along the lakefront façade to provide approximately 250 square feet screening for every 1000 square feet of lakefront facade. A break should extend vertically to two-thirds of the structure height and approximately 10 linear feet horizontally. TRPA may approve equal or superior alternatives to this standard.

(b) Option 2 Visual Magnitude System: A project shall attain the minimum contrast point score for the desired square footage of visual magnitude based on Appendix F, Visual Assessment Tool, of the Design Review Guidelines or if non-complying, shall implement Scenic BMPs as required in Option 1 in 5(a) above and:

(i) The visible façade square footage may be increased by 7.5% for each additional 10 feet of linear lake frontage over 100 ft;

(ii) Visual breaks shall be required on all structures. At a minimum, breaks shall be spaced along the lakefront façade to provide approximately 250 square feet screening for every 1000 square feet of lakefront facade. A break should extend vertically to two-thirds of the structure height and horizontally to approximately 10 linear feet. TRPA may approve equal or superior alternatives to this standard; and
(iii) Existing projects not complying with visual magnitude shall implement visual breaks and improvements that demonstrate a percentage toward attainment determined by the cost of the project over the replacement cost of the structure. In no case shall the total visible façade square footage exceed the maximum set forth by the visual magnitude system.

(6) **Level 6**: All projects involving new or existing structures in the shoreland that are visible from the Lake and that qualify as public health and safety projects or Environmental Improvement Program projects. The mitigation requirements for this level shall be established on a case-by-case basis. Projects whose primary purpose is implementation of water quality or scenic BMPs are exempt from mitigation requirements.

30.15.D **General Standards of Review**: The following general standards of review shall apply to projects reviewed pursuant to this Section:

1. **Prohibition on Segmenting**: Projects may not be segmented in order to qualify for a lower level of mitigation requirements.

2. **Calculation of Cost and Value**: Whenever required by this Section, cost estimates and replacement values shall be based on Marshall Swift calculations.

3. **Fire Protection**: The applicant shall not submit vegetative screening inconsistent with local fire protection standards. As used in this Section, the term “physical impossibility” shall not include inconsistency with local fire protection standards.

30.15.E **Independent Review**: If there is a disagreement in the application of the standards of this section, the applicant or TRPA staff may elect to pursue the following independent review option:

1. **Third Party Expert Review**: In the event there is a disagreement in an applicant disagrees with TRPA’s review of a proposed project, the applicant may initiate a third party expert review consistent with the process outlined in subparagraphs (i) through (iii) may be initiated. The applicant initiator shall fund the review and the third party expert review shall use the same methodology in the Visual Assessment Tool established in Appendix F of the Design Review Guidelines.

   a. Third Party Expert: TRPA shall maintain a list of scenic experts recognized as possessing the necessary qualifications to evaluate impacts to the scenic resources threshold. An expert shall be selected from the list randomly, as long as that expert did not consult on or participate in the design of the proposed project.

   b. The Third Party Expert shall prepare an analysis of the proposed project. The report shall include;

      i. A description of the proposed project; and
(ii) An analysis of the proposed project’s consistency with the standards set forth in this ordinance; and

(iii) Written findings quantifying the project’s impacts and any mitigation, if required.

(c) Use of Third Party Report: The Executive Director shall review the third party expert report and may approve, deny, or require modifications to the project. The expert’s findings shall be included in the review of the project.

(2) Scenic Panel Review: Until November 20, 2004, the applicant or TRPA may elect to initiate a Scenic Panel Review if there is a disagreement in the determination of mitigation required pursuant to this Subsection. The cost of the panel shall be paid by the initiator. Panels initiated during this period shall continue until the completion of the panel’s review process. An expert panel of three people shall prepare a scenic analysis of the project and its impact including foreseeable reasonable activities on the entire scenic unit. The panel shall recommend appropriate conditions of approval necessary to make the required scenic attainment findings.

(a) TRPA shall select a panel member, the applicant shall select a panel member and the two panel members shall select a third member to review the project.

(b) The analysis may include other professionally accepted methods of evaluating scenic impacts. This Subparagraph may be extended beyond the two-year limitation pursuant to the performance review required in Subsection 30.15.F.

(c) Use of Panel Report: The Executive Director shall review the scenic panel report and may approve, deny, or require modifications to the project. The panel’s findings shall be included in the review of the project.

30.15.F Marina Master Plans: In developing and approving marina master plans pursuant to Chapter 16, the applicant shall use the contrast rating/visual magnitude system outlined in Appendix $FH$, Visual Assessment Tool, of the Design Review Guidelines or an equal or superior method of evaluating scenic impacts. All significant scenic impacts shall be identified in the environmental document using an approved scenic impact analysis methodology and mitigation measures shall be proposed and incorporated into the master plan to ensure consistency with attainment and maintenance of environmental thresholds.

30.15.G Additional Visual Magnitude: TRPA may permit additional square footage of visual magnitude with visual breaks for a given contrast rating in Appendix $FH$, Visual Assessment Tool, of the Design Review Guidelines as follows:

(1) Public Outdoor Recreation: For public outdoor recreation uses that are subject to Subsection 33.6.C, PAOT allocations, additional square footage of visual magnitude may be permitted if TRPA finds that:
(a) The project is a necessary part of a long range plan for public outdoor recreation; and

(b) The project is consistent with the Recreation Element of the Regional Plan; and,

(c) There is no reasonable alternative which would avoid or reduce the extent of visual magnitude; and

(d) The additional square footage is mitigated pursuant to subparagraph 30.15.H(6) below; or

(e) If existing structures in the project area are in excess of that permitted by Option 2 in Levels 4 and Levels 5, the additional square footage permissible is a result of a reduction in the visual magnitude consistent with the following requirements. Existing non-complying projects shall implement improvements that results in a contrast score of 25 or demonstrate a percentage toward attainment determined by the cost of the project over the replacement cost of the structures not to exceed 50 percent, whichever is greater.

(2) Public Service Facilities: For public service uses, additional square footage of visual magnitude may be permitted if TRPA finds that:

(a) The project is necessary for public health, safety or environmental protection; and

(b) There is no reasonable alternative, which would avoid or reduce the extent of visual magnitude; and,

(c) The additional square footage is mitigated pursuant to subparagraph 30.15.H (6) below; or

(d) If existing structures in the project area are in excess of that permitted by Option 2 in Levels 4 and Levels 5, the additional square footage permissible is a result of a reduction in the visual magnitude consistent with the following requirements. Existing non-complying projects shall implement improvements that result in a contrast score of 25 or demonstrate a percentage toward attainment determined by the cost of the project over the replacement cost of the structures not to exceed 50 percent, whichever is greater.

(3) Tourist Accommodation and Commercial Projects in Commercial and Public Service Plan Areas and Tourist Accommodation Plan Areas: Additional square footage of visual magnitude may be permitted for projects in Commercial and Public Service Plan Areas, if TRPA finds that:

(a) The additional square footage is necessary as the use customarily requires increased square footage of lakefront façade than that set forth in Levels 4 and 5; and

(b) There is no reasonable alternative, which would avoid or reduce the extent of visual magnitude; and,
(c) The additional square footage is mitigated pursuant to subparagraph (6) below; or

(d) If existing structures in the project area are in excess of that permitted by Option 2 in Levels 4 and Levels 5, the additional square footage permissible is a result of a reduction in the visual magnitude consistent with the following requirements. Existing non-complying projects shall implement improvements that result in a contrast score of 25 or demonstrate a percentage toward attainment determined by the cost of the project over the replacement cost of the structures not to exceed 50 percent, whichever is greater.

(4) Residential Uses Other Than Single Family Dwelling: Additional square footage of visual magnitude may be permitted for projects, if TRPA finds that:

(a) The additional square footage is necessary as the use customarily requires increased square footage of lakefront façade than that set forth in Levels 4 and 5; and

(b) There is no reasonable alternative, which would avoid or reduce the extent of visual magnitude; and,

(c) The additional square footage is mitigated pursuant to subparagraph (6) below; or

(d) If existing structures in the project area are in excess of that permitted by Option 2 in Levels 4 and Levels 5, the additional square footage permissible is a result of a reduction in the visual magnitude consistent with the following requirements. Existing non-complying projects shall implement improvements that result in a contrast score of 25 or demonstrate a percentage toward attainment determined by the cost of the project over the replacement cost of the structures not to exceed 50 percent, whichever is greater.

30.15.H Transfer of Scenic Mitigation Credits (Interim System): Until a permanent scenic mitigation credit system is adopted, certain scenic impacts may be mitigated outside the shoreland as follows:

(1) The mitigation source is the adjacent shorezone project area or other shoreland parcels within the same scenic unit.

(2) Project mitigation requirements shall utilize the Visual Magnitude System outlined in Appendix F, Visual Assessment Tool, of the Design Review Guidelines to calculate the square footage mitigation requirement or mitigation may be determined by the full panel review process.

(3) Mitigation in attainment areas shall be on a one-to-one basis and on a one-to-one and a half basis in non-attainment areas.

(4) All structures in the shoreland, both on the receiving and sending project areas, must have implemented scenic BMPs (21 contrast score rating) to be eligible for transfer of mitigation credits.
(5) TRPA shall require restoration securities, deed restrictions, and inspections as appropriate to assure implementation and documentation of scenic mitigation credit.

(6) This interim system may be utilized:
   (a) To mitigate additional square footage associated with shorezone structures; or
   (b) To gain additional square footage when permissible (e.g. for commercial, public service, multi-residential, etc.)

(7) Contributions to TRPA-approved non-profit organizations that have qualifying scenic mitigation projects may be accepted for mitigation credit, provided the mitigation credit can be quantified and tracked.

30.15.1 **Performance Review:** For two years after the adoption of the Scenic Quality Review System, TRPA shall monitor the application of the system. No later than two years from the adoption of the system, TRPA shall prepare a report on the system with recommended amendments, if necessary, and present it to the TRPA Governing Board. A long-term performance review shall be included in the next applicable threshold review.
Chapter 53
SHOREZONE TOLERANCE DISTRICTS AND DEVELOPMENT STANDARDS

53.10 Design Standards Within The Shorezone: Design standards within the shorezone are as follows:

53.10.A Color: The color of structures, including fences, shall be compatible with its surroundings. Subdued colors in the earthtone and woodtone ranges shall be used for the primary color of the structure. Hues shall be within a range of natural colors that blend, rather than contrast, with the existing vegetation and earth hues. Earthtone colors are considered to be shades of reddish-brown, brown, tan, ochre, umber, sand and dark green. Colors shall be medium to dark and shall meet the Munsell® Color value as set forth in Appendix G, TRPA Approved Earhtone Colors, of the Design Review Guidelines. Structures in the shoreland that were constructed prior to January 1, 1950 may maintain their historic colors when doing exempt maintenance and repair.

53.10.B Roofs: Roofs shall be composed of nonglare earhtone or wood tone materials that minimize reflectivity. Metal roofs shall be compatible with their surroundings and composed of non-glare earhtone colors. Metal roofs colors shall meet the Munsell® Color value as set forth in Appendix G, TRPA Approved Earhtone Colors, of the Design Review Guidelines that have a value and chroma of 0-4.
MEMORANDUM

December 31, 2002

To: TRPA Advisory Planning Commission

From: TRPA Staff

Subject: Recommendation for Future Adoption of the South Y Industrial Community Plan, and Related Amendments

Proposed Action: The staff of TRPA and the City of South Lake Tahoe request the APC consider recommending endorsement of the major programmatic components of the proposed South Y Industrial Community Plan and direct staff to bring back all of the required amendments to adopt the Community Plan as proposed. (Refer to the CP enclosed in the mailing of the December APC packet.)

Staff Recommendation: Staff recommends the APC conduct the public hearing as noticed and consider the main components of the Community Plan (as described in the discussion below) and recommend the Governing Board to direct staff to prepare all the necessary amendments for APC and GB action by no later than March 2002.

Background: The Land Use Element of TRPA’s Goals and Policies (Goals) provides for the development of specific Community Plans for designated commercial areas. Community Plans are developed in order to be responsive to the needs and opportunities of defined areas of concentrated commercial uses, or where commercial uses should be concentrated, and to guide development within those boundaries.

Consistent with the Goals, the Industrial Tract in South Lake Tahoe was designated a preliminary community plan area. The objectives of community planning in the Industrial Tract are:

- To provide incentives to encourage concentration of industrial-type commercial uses and public services needed to serve the development permitted by the TRPA Regional Plan and the City of South Lake Tahoe’s General Plan on the South Shore;
- To separate the (less compatible) industrial uses from the scenic corridor portions of the City of South Lake Tahoe;
- To allow only those commercial activities that are compatible with the Preferred Industrial Area classification to be developed within the Industrial Tract.

The South Y Industrial Tract Community Plan will provide management direction for all projects proposed within its boundaries. It is an integrated land use plan addressing physical design, commercial growth, traffic circulation, the environment and restoration, and public services. Planning guidance is currently provided by Plan Area Statement (PAS) 113, which was adopted by TRPA in 1987 and adopted by the City of South Lake Tahoe in 1999.
Upon adoption, the South “Y” Industrial Tract Community Plan will serve as the mutual plan for both TRPA and the City of South Lake Tahoe. A pool of 5,000 square feet of commercial floor area is reserved for allocation to certain projects within the Community Plan, as well as a pool of stream environment zone restoration credit (up to 5.46 acres) available to certain projects proposed for areas where the land capability classification is eligible for a “man-modified” amendment.

Discussion: The primary programmatic areas of the proposed Community Plan that should be recognized and discussed include: Preferred Industrial Area designation, CFA allocation, Man-modified Land Capability component, and relocation of non-conforming and incompatible businesses located elsewhere in the City.

Other Regional Plan (Code of Ordinances) amendments that have come to the forefront during the development of this plan include: finding to release soft coverage to be used as hard coverage within the Upper Truckee Hydrologic area due to infeasible economic conditions and lack of available land coverage, and Linked-project status to combine non-contiguous parcels for project area purposes to further the relocation of industrial businesses into the Industrial CP area. It is important to note that some of these are not Community Plan issues per se, but rather, will require Code amendments to assist in meeting the goals and policies of the Industrial CP.

Preferred Industrial Area designation
This special designation allows an applicant to double the amount of CFA for their project, when CFA is transferred into the CP. For example, an applicant can ‘bring’ 5,000 square feet of CFA to the Industrial Tract CP, and their project would be allowed to build 10,000 square feet of CFA. This program is enabled if the CP area has implemented area-wide BMPs, or the jurisdiction has committed to implement area-wide BMPs on its five-year CIP list submitted to TRPA (Code 33.3.B (5)). The City of South Lake Tahoe implemented area-wide BMPs in anticipation of this CP adoption.

CFA Allocation within the Industrial CP area
This Plan proposes to allocate the 5,000 square feet of CFA available to this CP, by the City assigning the allocation on a “first come, first served” basis. The City held the 5,000 square feet in reserve from the 1996 Threshold Evaluation and subsequent CP reload. The proposed allocation program is described here briefly. Parcels less than three (3) acres may apply for up to 1,000 square feet of CFA. Parcels greater than three (3) acres may apply for up to 2,000 square feet of CFA. If a project being proposed is relocating from an area which is 1) currently non-conforming in another plan area, 2) currently located on a parcel that is at least 50% SEZ, or 3) visibly incompatible with a scenic roadway corridor, that project may apply for an additional 250 square feet of CFA. There are further criteria concerning whether or not the parcel contains existing development or is undeveloped, mainly based upon environmental conditions, such as complete installation of BMPs for existing developments. Refer to Chapter 2 of the Community Plan for a more complete discussion.

Man-modified Land Capability Amendment
The TRPA Code, subsection 20.2.F, allows for the conversion of land with an original mapped land capability that was altered by man to a land capability that more represents the current condition. The CSLT and TRPA have considered an area within the proposed Community Plan that is mapped as Class 1b, or streamzone (SEZ) as meeting
the definition of man-modified status. The area in question has been filled with imported soil and no longer exhibits the characteristics of a SEZ. Approximately 13 acres within the CP area would be changed from land capability 1b to land capability 6. This amendment will considerably change the development potential for those properties within the Man-modified area. The technical evaluation is found in Appendix F of the proposed CP.

Relocation of non-conforming and Incompatible Uses into the CP

One of the main goals for this CP is to assist private business owners in relocating their business from areas within El Dorado County to the CP. The intent being to relocate non-conforming uses and uses that are currently located within SEZ and/or Scenic roadway corridors. Some of the incentives for relocation into the Industrial CP include: 1) land coverage transfer program: up to 50% coverage for developed properties and 70% for undeveloped properties, given high land capability; 2) CFA allocation apart from the Special Projects program; 3) automatic doubling of CFA when transferred into the CP area; 4) Permit processing incentives by the CSLT for eligible projects; and 5) SEZ restoration credit for man-modified offset requirement provided by the CSLT for qualifying projects.

Inadequate Supply of Land Coverage

The TRPA Code, subsection 20.3.C (6), allows for TRPA to authorize an increase in the supply of land coverage for transfer, if, after conducting a review of the cost of land coverage available at the land bank, find there is an inadequate supply of land coverage for uses at a reasonable cost within a given hydrologically related area. The TRPA and the CSLT are working to develop the necessary information to make this determination for the Upper Truckee Hydrologic area, wherein the Industrial CP is located.

Linked-project status

To further realize the goals and policies of the Industrial CP and the TRPA Regional Plan, a new subsection may be added to Chapter 31 of the Code (Linked Project Area), which closely resembles Code subsection 15.2.D, Redevelopment Project Area. The new Code language would allow for an applicant to combine two noncontiguous parcels for the purposes of creating one project area. One benefit of this program would be the ability to increase land coverage on those high land capability portions of a parcel located within an adopted community plan, while retiring and restoring a developed parcel located in a SEZ. This program would financially assist the applicant by enabling them to relocate coverage from their existing developed sensitive parcel to the linked project area parcel within the CP. Without this “linked project status” an applicant is required to purchase two square feet of coverage for every one foot of coverage transferred into a CP, when covering 70% of the linked project area parcel, which can be cost prohibitive for industrial uses. Other criteria that would be required include: 1) the retired parcel is sensitive and can be restored to a functioning state; 2) the project is part of an EIP project; 3) the development can only be relocated into an adopted community plan; 4) total coverage at the CP parcel does not exceed some maximum limit and all other applicable water quality standards are met; and 5) both parcels are within the same hydrologic area.

For example, Napoleon Kaufman owns a one-acre parcel within an SEZ where his current industrial business resides. He is contemplating purchasing a one-acre parcel within the Industrial CP. He has 35,000 square feet of coverage on his SEZ parcel, the
CP parcel is vacant and high capability. The linked project status would create a project area of 2-acres (87,120 sq. ft.), which would allow 60,984 square feet of coverage (70%) on the CP Parcel. The CP parcel would allow 43,560 sq. ft., without a transfer requirement, however, Mr. Kaufman could, under the revised code section, transfer in the additional 17,422 sq. ft. of coverage at a 2:1 ratio (transferring all 35,000 sq. ft. from the SEZ parcel), without having to buy coverage on the open market. The difference is, on the CP parcel, only 21,780 sq. ft. could be covered without transferring, and only 30,492 sq. ft. could be covered with transfer under current rules. Under the proposed program, up to 43,560 sq. ft. could be covered without transfer, and up to 60,984 could be covered with transfer. With industrial type uses typically requiring coverage more so than CFA, this can be an important incentive to motivate private business owners to participate in meeting the Industrial Tract Community Plan goals.

Effect on TRPA Staff Work Program: The adoption of this Community Plan will not, in and of itself, create a burden on TRPA Staff workloads. Development of this CP was included in the appropriate staff member’s work program. The number of project applications is not expected to increase significantly subsequent to the adoption of the Plan. Some applications may require more involvement in deriving concepts that take advantage of the Plan’s options.

Please contact Peter Eichar at (775) 588-4547, or recreation@trpa.org, if you have any questions regarding this agenda item.
MEMORANDUM

December 31, 2002

To: TRPA Advisory Planning Commission

From: TRPA Staff

Subject: Amendment of PAS 077, Oliver Park, to Add Designation of Preferred Affordable Housing Area and Multi-Residential Incentive Area

Proposed Action: The applicant, Meadow Brooke Associates, proposes to amend Plan Area Statement 077, Oliver Park to add the Special Designations of Preferred Affordable Housing Area and Multi-residential Incentive Program.

Staff Recommendation: Staff recommends the APC conduct the public hearing as noticed and recommend approval of the amendment to the TRPA Governing Board.

Background: Based on the economic feasibility of affordable housing projects in the Tahoe Basin, the applicant, Meadow Brook Associates, needs to use residential bonus units for a project in PAS 077, in lieu of using existing residential units of use. For project financing reasons, the applicant needs to sell the existing residential units. If the “back-up” units are sold, the applicant needs to replace the units with free bonus units from the multi-residential incentive program. PAS 077 must be amended to add the above referenced Special Designations so that the applicant can take advantage of program elements found in the Code of Ordinances which facilitate the development of affordable housing, i.e., residential bonus units.

Discussion: The approved project that is driving this amendment request will supply 32 deed restricted affordable housing units within Douglas County. The Governing Board approved the project in December. The applicant is currently “backing-up” the 32 residential units with existing residential units of use. This project assists Falcon Capital in meeting their mitigation requirement to replace residential units that were torn down in connection with the timeshare project located in Round Hill, Nevada, which converted some of the torn down residential units into TAUs.

The Special Designation of Multi-residential Incentive Program is required to allow the applicant to take advantage of the residential bonus unit program. The designation is required per TRPA Code Section 35.2. The Preferred Affordable Housing Area designation will assist the applicant in demonstrating the need for additional density — a density bonus — that exceeds the current PAS standards, in accordance with Code subsection 21.3.B. The increased density may not be required to realize project goals, as the current approved project is within existing density standards for PAS 077, Oliver Park.
PAS 077 currently contains high-density residential development and is within reasonable proximity to commercial and government services. Transit operation services are currently limited to demand response; however, in the future CTS may effectively serve the area. Additionally, this project will assist Douglas County in meeting their fair-share responsibility to providing affordable housing, even though it is a private developer developing the project.

**Effect on TRPA Staff Work Program:** The amendment as proposed would not increase staff work loads for any division. The project associated with this amendment was approved last month.

**Required Findings:** The following findings must be made prior to adopting the proposed amendments:

A. **Chapter 6 Findings:**

1. **Finding:** The project is consistent with, and will not adversely affect implementation of the Regional Plan, including all applicable Goals and Policies, Plan Area Statements and maps, the Code, and other TRPA plans and programs.

   **Rationale:** The proposed amendment will enable TRPA to assist in the development of much needed affordable housing, consistent with the Goals and Policies Land Use Element, Land Use Subelement, Goal #2, Policies 5A and 5B, and Implementation Element, Development and Implementation Subelement, Goal #2, Policies 2F and 3, and Goal #3, Policies 1 and 2.

2. **Finding:** That the project will not cause the environmental thresholds to be exceeded.

   **Rationale:** All project elements that arise from the facilitation of the project from this amendment are consistent with applicable rules and procedures thereby ensuring that Threshold standards are not exceeded.

3. **Finding:** Wherever federal, state and local air and water quality standards applicable for the Region, whichever are strictest, must be attained and maintained pursuant to Article V (d) of the Compact, the project meets or exceeds such standards.

   **Rationale:** The amendment will have no effect on water or air quality standards.

4. **Finding:** The Regional Plan and all of its elements, as implemented through the Code, Rules and other TRPA plans and programs, as amended, achieves and maintains the thresholds.

   **Rationale:** See findings #1 and #2 above.
5. **Finding:** The Regional Plan, as amended, achieves and maintains the thresholds.

**Rationale:** See findings #1 and #2 above.

B. **Chapter 13 Findings:***

1. **Finding:** Prior to adopting any plan area amendment, TRPA must find the amendment is substantially consistent with the plan area designation criteria in Subsection 13.5.B and 13.5.C.

**Rationale:** The proposed amendment is consistent with the plan area designation, which is Residential. The amendments will allow the applicant to take advantage of programmatic elements of the Code to develop affordable housing within a plan area that currently contains multi-residential, single-family and mobile home development.

**Environmental Documentation:** The applicant has completed and staff has reviewed the Initial Environmental Checklist for the proposed action. Staff recommends that a Finding of No Significant Effect (FONSE) be made based on the results of the IEC and the information contained in this staff summary and the project record.

Please contact Peter Eichar at (775) 588-4547, or recreation@trpa.org, if you have any questions regarding this agenda item.

**Attachments:**
- A. Proposed Adopting Ordinance
  - Exhibit 1, Amended PAS 077, Oliver Park
- B. Map of PAS 077, Oliver Park
TAHOE REGIONAL PLANNING AGENCY
ORDINANCE 2003 –

AN ORDINANCE AMENDING ORDINANCE NO. 87-9, AS AMENDED, BY AMENDING THE REGIONAL PLAN OF THE TAHOE REGIONAL PLANNING AGENCY; AMENDING PLAN AREA STATEMENT 077, OLIVER PARK, TO AMEND THE SPECIAL DESIGNATIONS BY ADDING PREFERRED AFFORDABLE HOUSING AREA AND MULTI-RESIDENTIAL INCENTIVE PROGRAM, AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO.

The Governing Board of the Tahoe Regional Planning Agency does ordain as follows:

Section 1.00  Findings

1.10 It is necessary and desirable to amend TRPA Ordinance 87-9, as amended, which ordinance relates to the Regional Plan of the Tahoe Regional Planning Agency (TRPA) by amending the Oliver Park Plan Area Statement (PAS 077), in order to further implement the Regional Plan pursuant to Article VI(a) and other applicable provisions of the Tahoe Regional Planning Compact.

1.20 These amendments have been determined not to have a significant effect on the environment, and are therefore exempt from the requirements of an environmental impact statement pursuant to Article VII of the Compact.

1.30 The Advisory Planning Commission (APC) has conducted a public hearing on the amendments and recommended adoption. The Governing Board has also conducted a noticed public hearing on the amendments. At those hearings, oral testimony and documentary evidence were received and considered.

1.40 Prior to the adoption of this ordinance, the Governing Board made the findings required by Chapter 6 of the Code and Article V(g) of the Compact.

1.50 The Governing Board finds that the amendments adopted here will continue to implement the Regional Plan, as amended, in a manner that achieves and maintains the adopted environmental threshold carrying capacities as required by Article V(c) of the Compact.

1.60 Each of the foregoing findings is supported by substantial evidence in the record.

Section 2.00  Amendment of the Oliver Park Plan Area Statement 077

Subsection 6.10, subparagraph (28) of Ordinance No. 87-9, as amended, is hereby further amended as set forth on Exhibit 1, dated December 31, 2002, which attachment is appended hereto and incorporated herein.
Section 3.00  Interpretation and Severability

The provisions of this ordinance and the amendments to the Plan Area Statements adopted hereby shall be liberally construed to effect their purposes. If any section, clause, provision or portion thereof is declared unconstitutional or invalid by a court of competent jurisdiction, the remainder of this ordinance and the amendments to the Plan Area Statements shall not be affected thereby. For this purpose, the provisions of this ordinance and the amendments to the Plan Area Statements are hereby declared respectively severable.

Section 4.00  Effective Date

The provisions of this ordinance amending the Oliver Park Plan Area Statement, 077 shall be effective 60 days after its adoption pursuant to Subsection 13.7.B.

PASSED AND ADOPTED by the Governing Board of the Tahoe Regional Planning Agency at a regular meeting held January 22, 2003, by the following vote:

Ayes:

Nays:

Abstentions:

Absent

David Solaro, Chairman
Tahoe Regional Planning Agency
077
OLIVER PARK

PLAN DESIGNATION:

- Land Use Classification: RESIDENTIAL
- Management Strategy: REDIRECTION
- Special Designation: TDR RECEIVING AREA FOR:
  1. Multi-Residential Units

DESCRIPTION:

- Location: This area is located along Kahle Drive just west of Highway 50 and is depicted on TRPA map H-16.
- Existing Uses: The area is a mixture of lower income residential uses which include a large trailer court, large apartment complex, and numerous other residential units. The area is 95 percent built out.
- Existing Environment: This area is classified as SEZ. The land coverage is 50 percent and the disturbance is 35 percent.

PLANNING STATEMENT: This area should continue to serve as a residential area subject to a rehabilitation program.

PLANNING CONSIDERATIONS:

1. The Oliver Park Subdivision portion of the SEZ has been substantially modified.
2. The area contains identified scenic problems associated with Scenic Shorezone Unit 30 and Roadway unit 31.
3. The future of four parcels behind Lakeside Inn that are owned by Douglas County is unresolved.
4. The area contains parking and transit access problems.
5. The lower trailer park area has been identified for possible SEZ restoration.

SPECIAL POLICIES:

1. Any new development should conform to a rehabilitation plan that provides for scenic and SEZ restoration.
2. The four parcels owned by Douglas County may be sold to pay for substantial improvements in this planning area or traded for restoration projects in the watershed.

3. A scenic restoration plan for this area shall be required. This is not on a roadway unit identified by scenic thresholds for mandatory attainment but is in the viewshed of a Roadway Unit 31 and is identified as an area of concern.

PERMISSIBLE USES: Pursuant to Chapter 18 PERMISSIBLE USES and if applicable, Chapter 51 PERMISSIBLE USES AND ACCESSORY STRUCTURES IN THE SHOREZONE AND LAKEZONE, the following primary uses may be permitted within all or a portion of the Plan Area. The list indicates if the use is allowed (A) or must be considered under the provisions for a special use (S). Existing uses not listed shall be considered nonconforming uses within this Plan Area. The establishment of new uses not listed shall be prohibited within this Plan Area.

General List: The following list of permissible uses is applicable throughout the Plan Area.

Residential
- Single family dwelling (A), multiple family dwellings (A), multi-person dwellings (S) employee housing (S), and mobile home dwellings (S).

Public Service
- Local public health and safety facilities (S), transit stations and terminals (S), pipelines and power transmission (S), transmission and receiving facilities (S), transportation routes (S), public utility centers (S), and day care centers/pre-school (S).

Recreation
- Participant sports facilities (S), day use areas (A), riding and hiking trails (A).

Resource Management
- Reforestation (A), sanitation salvage cut (A), special cut (A), thinning (A), early successional stage vegetation management (A), structural and nonstructural fish/wildlife habitat management (A), fire detection and suppression (A), fuels treatment management (A), insect and disease suppression (A), sensitive and uncommon plant management (A), erosion control (A), SEZ restoration (A), and runoff control (A).

MAXIMUM DENSITIES: Pursuant to Chapter 21 DENSITY, the following list establishes the maximum allowable densities that may be permitted for any parcel located within the Plan Area. The actual development permitted may be further limited by transfer of development rights limitations, residential density incentive program, special use determinations, allocation limitations and general site development standards.

<table>
<thead>
<tr>
<th>USE</th>
<th>MAXIMUM DENSITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td></td>
</tr>
<tr>
<td>Single Family Dwelling</td>
<td>1 unit per parcel</td>
</tr>
<tr>
<td>Mobile Home Dwellings</td>
<td>8 units per acre</td>
</tr>
<tr>
<td>Multi-person Dwellings</td>
<td>25 persons per acre</td>
</tr>
<tr>
<td>Multiple Family Dwellings</td>
<td>15 units per acre</td>
</tr>
<tr>
<td>Employee Housing</td>
<td>As per the limitations above</td>
</tr>
</tbody>
</table>
MAXIMUM COMMUNITY NOISE EQUIVALENT LEVEL: The maximum community noise equivalent level for this Plan Area is 55 CNEL.

ADDITIONAL DEVELOPED OUTDOOR RECREATION: The following are the targets and limits for additional developed outdoor recreation facilities specified in Chapter 13 to be located within this Plan Area. Specific projects and their timing are addressed in the TRPA Five-Year Recreation Program pursuant to Chapter 33 Allocation of Development. The following additional capacities allowed are measured in persons at one time.

SUMMER DAY USES 0 PAOT  WINTER DAY USES 0 PAOT  OVERNIGHT USES 0 PAOT

ENVIRONMENTAL IMPROVEMENT PROGRAMS: The capital improvement and other improvement programs required by the Regional Goals and Policies Plan and Environmental Improvement Plan (EIP) for this area shall be implemented. ⁶

⁶ Amended 5/22/02
MEMORANDUM

December 31, 2002

To: TRPA Advisory Planning Commission

From: TRPA Staff

Subject: Amendment of Chapter 20 Land Coverage Standards to Adjust the Excess Land Coverage Fees

Proposed Action: Chapter 20.5A(3) of the TRPA Code of Ordinances requires TRPA staff to adjust the Excess Coverage Mitigation Fee by January 1st of each year based on a certified real estate appraiser’s estimate.

Staff Recommendation: Staff requests that the Advisory Planning Commission review the appraisal document produced by Johnson-Perkins and Associates, Inc. The appraiser found that coverage costs have not changed in the past year. Staff is recommending the Excess Land Coverage Mitigation fees remain at their current rates of $6.50/sq. ft. in California and $12.00/sq. ft in Nevada; therefore, no action is required.

Background: The Excess Land Coverage Mitigation Program is described in Section 20.5 of the TRPA Code of Ordinances. This program applies to projects where the amount of land coverage for the project area exceeds the base land coverage for that area. Land coverage in excess of the base land coverage, must be mitigated by the transfer of land coverage or through the Excess Land Coverage Mitigation Program (ELCMP). The options offered by the ELCMP are:

1) Reduce coverage onsite;
2) Reduce coverage offsite;
3) Pay a land coverage mitigation fee;
4) Parcel Consolidation Or Parcel Line Adjustment; or
5) Projects within Community Plans.

In April 2001, the Governing Board approved a revision of Chapter 20.5 of the TRPA Code of Ordinances that raised the Excess Land Coverage Mitigation Fee from $5.00/sq. ft. for the entire Tahoe Basin to $12.00/sq. ft. in Nevada and $6.50/sq. ft. in California.

Discussion: In summary of the Johnson-Perkins & Associates report (see Attachment A), it was found that in Nevada land coverage ranged from a low of $10.00 per square foot to a high of $50.00 per square foot with most data falling in the range of $15.00 to $20.00 per square foot. The opinion of the appraisers is that the Market Value of land coverage in the Nevada portion of the Lake Tahoe Basin is above the current $12.00 per square foot price established by the TRPA. However, prior to May 1, 2003, the Coverage Mitigation Coverage Cost Fee shall not exceed $12.00 per square foot as amended by the Governing Board in April 2001 and codified in Chapter 20.5(3)(b) of the TRPA Code of Ordinances.
The appraisers also found that in California the cost of land coverage ranged from a low of $5.00 per square foot to a high of $11.00 per square foot. It is the opinion of the appraisers’ that the Market Value of land coverage in the California portion of the Lake Tahoe Basin is best reflected by the prices established by the California Tahoe Conservancy, ranging from $5.00 to $11.00 per square foot. Based on information provided from the California Tahoe Conservancy the average cost to acquire land coverage is currently $6.50 per square foot.

The California Tahoe Conservancy and Nevada State Lands have both reviewed the report and agree with leaving the Excess Land Coverage Mitigation Fees at $6.50 per square foot in California and $12.00 per square foot in Nevada.

A brief staff presentation will be made at the APC meeting. If you have any questions please call Mike Vollmer at 775-588-4547 ext. 241 or email at mvollmer@trpa.org.

Attachment: A. Appraisal document from Johnson-Perkins and Associates, Inc.
December 23, 2002

Mr. Michael Vollmer  
Vegetation Program Manager  
Tahoe Regional Planning Agency  
P.O. Box 1038  
Zephyr Cove, Nevada 89448

RE: An Updated Analysis of the Market Value of Land Coverage in the Lake Tahoe Basin

Dear Mr. Vollmer:

This letter is in response to your request for an Updated Appraisal estimating the Market Value of land coverage in the Lake Tahoe Basin. It is our understanding that the value conclusions derived in this report will be utilized to determine the excess land coverage mitigation cost factor for use during the calendar year 2003, as outlined in the Tahoe Regional Planning Agency’s Code of Ordinances. This is an Updated Appraisal report. A Complete Summary appraisal was prepared by this appraisal firm and transmitted to Mr. Gordon Barrett of your Agency on November 19, 2001. The date of valuation was November 1, 2001. This updated appraisal is an Addendum to and can only be used in conjunction with our previous complete summary appraisal report. Any other use of this letter is prohibited. The intended users of this report include representatives of the Tahoe Regional Planning Agency (TRPA). The date of valuation of this updated report is December 1, 2002. This updated report was completed on December 23, 2002.

In order to complete the report, these appraisers reviewed the TRPA ordinances pertaining to land coverage in the Lake Tahoe Basin. Also, historical data regarding the
Excess Land Coverage Mitigation Program as set out in the TRPA Code of Ordinances was reviewed. Furthermore, these appraisers reviewed historical data regarding the California Tahoe Conservancy’s land bank. The supply and demand for land coverage in the Lake Tahoe Basin was researched and analyzed. Also, numerous interviews were conducted with knowledgeable parties regarding land coverage sales in the Lake Tahoe Basin. These appraisers also reviewed the California Tahoe Conservancy pricing for 2002 and 2003 for land coverage in the California portion of the Lake Tahoe Basin. Finally, we prepared an analysis to determine whether the Market Value of land coverage in the Nevada portion of the Lake Tahoe Basin exceeds the maximum value established by the TRPA Ordinance. We also estimated the Market Value of land coverage in the California portion of the Lake Tahoe Basin.

This report conforms with the *Uniform Standards of Professional Appraisal Practice* as promulgated by the Appraisal Standards Board of the Appraisal foundation.

The Excess Land Coverage Mitigation Program is outlined in the Code of Ordinances in Chapter 20, beginning at Section 20.5. The Excess Land Coverage Mitigation Program facilitates the retirement of land coverage. A summary of the Program is presented on Page 2 of our previous complete summary appraisal.

The mitigation fee coverage cost factor was established by TRPA in 1987, at $5.00 per square foot. In 2001, the TRPA staff recommended that the excess land coverage fees be adjusted to reflect current Market Values. In response to the TRPA staff’s request for an adjustment of the fees, TRPA’s Code of Ordinances, Chapter 20.5 was amended on May 23, 2001. The amended ordinance indicates that the mitigation coverage cost factor is $6.50 per square foot in California and $12.00 per square foot in Nevada. The TRPA ordinance further indicates that prior to May 1, 2003, the coverage mitigation cost fee cannot exceed $12.00 per square foot in Nevada. Accordingly, our analysis in the Nevada portion of the Lake Tahoe Basin will focus on determining whether the current Market Value of land coverage in
Nevada exceeds the $12.00 per square foot threshold established by TRPA. The mitigation coverage cost factor for California is to be adjusted annually on January 1, based upon “a certified real estate appraiser’s estimate of the land bank’s cost to acquire and restore land coverage.” Accordingly, for California, appropriate Market Value figures for each hydrologic area will be analyzed to allow TRPA to establish an appropriate mitigation fee coverage cost factor.

The Tahoe Regional Planning Agency has divided the Lake Tahoe Basin into nine hydrologic areas. Hydrologic areas 1, 2, and 3 (identified as Incline, Marlette, and Cave Rock, respectively) are located entirely in the Nevada portion of the Lake Tahoe Basin. Hydrologic areas 5, 6, 7, and 8 (Upper Truckee, Emerald Bay, McKinney Bay, and Tahoe City, respectively) are located entirely within the California portion of the Lake Tahoe Basin. Hydrologic areas 4 and 9, identified as South Stateline and Agate Bay, are located in both the California and Nevada portions of the Lake Tahoe Basin. A map depicting the location of the various hydrologic areas is set forth on the following page.
TAHOE REGIONAL PLANNING AGENCY HYDROLOGIC AREAS

Area 9
Area 8
Area 7
Area 6
Area 1
Area 2
Area 3
Area 4
Area 5

Reno - Lake Tahoe
In the state of California, the California Tahoe Conservancy established a land bank in 1990. The California Tahoe Conservancy receives funds generated by the TRPA’s Excess Land Coverage Mitigation Program, and uses the fees to acquire and retire land coverage in the hydrologic areas located in the California portion of the Lake Tahoe Basin. The State of Nevada is in the process of establishing a land bank similar to the one operated by the California Tahoe Conservancy in order to acquire and retire land coverage in accordance with the TRPA’s Excess Land Coverage Mitigation Program in the hydrologic areas located in the Nevada portion of the Lake Tahoe Basin.

There are three classifications of land coverage. “Hard” land coverage involves land coverage which is physically on the ground. “Potential” land coverage is land coverage which is available to be installed, based upon the IPES system or the Bailey system, but which has not been placed on the ground. “Soft” land coverage involves coverage which is installed, but which is not a completely impervious surface. An example of soft land coverage is a dirt walkway or driveway which is compacted, but not covered with pavement.

In order to complete this updated appraisal, numerous knowledgeable parties in the Lake Tahoe Basin were interviewed. Those interviewed included Gary Midkiff of Midkiff & Associates, Randy Lane, a local developer, Paul Kaleta of Basin Strategies, Lew Feldman of Feldman & Shaw, Richard Day with the State of Nevada, Dave Fairbank of Prim Ventures, Greg Skinner, an attorney and developer in Incline Village, Phil Gilanfarr, an architect in Incline Village and Dan St. John of the Incline Village General Improvement District. Also, we interviewed Dianne Severance of Sierra Nevada College; Lynn Fetterly, a developer; Jim Clark, a developer, Mary Gilanfarr, a Realtor on the north shore, Peggy Eichhorn, a Realtor on the south shore, Gerry Willmett of the California Tahoe Conservancy, Mike Thomas, a land planner on the north shore, Suzanne Wilkins of K.B. Foster Engineering, Sue Simon, a land planner on the south shore, Mike Dill of Aspen Environmental, Bob Hedley, a Realtor on the south shore, and Gary Furumoto of Sagan Design Group.
Nevada Portion of the Lake Tahoe Basin

The purpose of this updated report is to determine whether the Market Value of the land coverage in the Nevada portion of the Lake Tahoe Basin exceeds the $12.00 per square foot threshold established by the Tahoe Regional Planning Agency. The $12.00 per square foot mitigation fee coverage cost factor was established by the Tahoe Regional Planning Agency in May 2001.

For the Nevada portion of the Lake Tahoe Basin, the Market Value of land coverage in general has been rising over the past several years. The increase in the value of land coverage in the Nevada portion of the Lake Tahoe Basin is a result of a limited supply and an increasing demand. As was stated in our previous complete summary appraisal, the increase in demand is attributable to several factors, including development and redevelopment of parcels that require additional land coverage to be transferred due to limited available land coverage associated with the parcel and the recent reasonably strong economy and low interest rates.

On the other hand, the supply of land coverage in the Nevada portion of the Lake Tahoe Basin is limited by the amount of total land area in general, and by the large percentage of the land area under the ownership of government agencies and by the high percentage of low capability land in the Nevada portion of the Lake Tahoe Basin.

In order to determine whether the Market Value of land coverage in the Nevada portion of the Lake Tahoe Basin is above the $12.00 per square foot threshold established by the TRPA, these appraisers conducted numerous interviews with knowledgeable individuals, including land planners, Realtors, developers, and others.

Approximately one year has passed since the date of valuation of our previous complete summary appraisal and the date of valuation of this updated report. As only one year has passed, these appraisers identified very few sales of land coverage in the Nevada
portion of the Lake Tahoe Basin during this time period. Although land coverage was purchased and transferred from other hydrologic areas in Nevada to the Incline Hydrologic area – Area 1, there were no sales reported within this Hydrologic area. The Incline Village General Improvement District and the State of Nevada are currently initiating a Land Bank that would be limited to Hydrologic Area 1. The Bank is expected to begin selling land coverage in early 2003. The majority of the available land coverage for the Land Bank will be Class 6 potential coverage. However, the District has stated that it will not compete with the private land coverage market.

There were two sales in the Agate Bay Hydrologic area – Area 9. This is the Crystal Bay, Nevada area. The two sales were for 700 and 800 square feet with sale prices at $12.00 and $15.00 per square foot. A pending sale in the Agate Bay Hydrologic area involves 5,000 square feet of Class 1a restoration credit land coverage for a purchase price of $17.00 per square foot.

One sale in the Area 1 – Incline, was identified. Approximately 1,434 square feet of potential Class 6 land coverage sold for $25.00 per square foot.

There were two sales of land coverage in the South Stateline Hydrologic area – Area 4. Approximately 3,000 square feet of existing coverage sold for $15.00 per square foot. Another sale involved 17,000 square feet of Class 4 potential land coverage for $12.00 per square foot.

Sales of land coverage in the Cave Rock Hydrologic area – Area 3 reportedly involve small amounts of land coverage with the sale price at approximately $50.00 per square foot.

Again, there were no sales of land coverage found in the Marlette Hydrologic area – Area 2.
In summary, the land coverage sales that were identified by these appraisers since November 1, 2001 range from $12.00 to $50.00 per square foot. This compares with the previously reported sales that ranged from $10.00 to $50.00. The sales utilized in our previous complete summary appraisal are set out in chart form beginning on Page 7 of our previous report.

In analyzing an appropriate Market Value for land coverage in the Nevada portion of the Lake Tahoe Basin, consideration has again been given to possible increases in the supply of land coverage. As land coverage has become more valuable, private property owners have been reassessing whether they have excess land coverage that could be sold. There are numerous other potential sources of land coverage which could emerge. This would increase the supply, which would most likely result in lower values for land coverage. The Incline Village General Improvement District is organizing a land coverage bank that would serve Hydrologic Area 1. However, the District has stated that it will not compete with the private land coverage market. Also, the State of Nevada is in the process of setting up a land coverage bank that would be similar to the California Tahoe Conservancy’s land coverage bank.

Based upon an analysis of the updated data that was able to be found, and with consideration given to the data that was researched and analyzed in our previous complete summary report, it is these appraisers’ opinion that the Market Value of land coverage in the Nevada portion of the Lake Tahoe Basin, as of December 1, 2002, is above the $12.00 per square foot threshold established by the Tahoe Regional Planning Agency.

**MARKET VALUE CONCLUSION**
(Nevada Portion of Lake Tahoe Basin)

**MORE THAN $12.00 PER SQUARE FOOT**
California Portion of the Lake Tahoe Basin

In the California portion of the Lake Tahoe Basin, the Market Value of land coverage has remained relatively constant since 1987. As noted previously, the mitigation fee coverage cost factor was established by the TRPA in 1987 at $5.00 per square foot. The California Tahoe Conservancy (CTC) established a land bank in 1990. The purpose of the land bank is to utilize the Excess Land Coverage Mitigation Program fees to acquire and retire land coverage. Additionally, the California Tahoe Conservancy sells land coverage for use on approved projects in the state of California. The advantages of the land bank include a reduced amount of time required to transfer land coverage to a project and the convenience of purchasing land coverage from the land bank rather than having to locate land coverage on the open market.

The California Tahoe Conservancy produces an annual staff recommendation report that summarizes the activity of the land bank for the previous year. The report dated November 1, 2002 indicates that the overall average sale price for all sales by CTC which have occurred between 1990 and 2002 is $6.51 per square foot.

The CTC annual staff recommendation identifies anticipated demand for 2003. The supply and anticipated demand in the various hydrologic areas, as outlined by the California Tahoe Conservancy, for 2003 is summarized on the chart on the following page.
<table>
<thead>
<tr>
<th>Hydrologic Area</th>
<th>Type of Land Coverage</th>
<th>CTC Inventory</th>
<th>CTC Anticipated Demand for 2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>South Stateline Area 4 (California Portion)</td>
<td>Potential</td>
<td>9,402 s.f.</td>
<td>9,102 s.f.</td>
</tr>
<tr>
<td></td>
<td>Hard</td>
<td>7,325 s.f.</td>
<td>500 s.f.</td>
</tr>
<tr>
<td></td>
<td>Soft</td>
<td>1,160 s.f.</td>
<td>None</td>
</tr>
<tr>
<td>Upper Truckee Area 5</td>
<td>Potential</td>
<td>23,074 s.f.</td>
<td>20,000 s.f.</td>
</tr>
<tr>
<td></td>
<td>Hard</td>
<td>14,743 s.f.</td>
<td>2,000 s.f.</td>
</tr>
<tr>
<td></td>
<td>Soft</td>
<td>131,385 s.f.</td>
<td>None</td>
</tr>
<tr>
<td>Emerald Bay Area 6</td>
<td>Potential</td>
<td>9,932 s.f.</td>
<td>3,594 s.f.</td>
</tr>
<tr>
<td></td>
<td>Hard</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>McKinney Bay Area 7</td>
<td>Potential</td>
<td>17,070 s.f.</td>
<td>7,000 s.f.</td>
</tr>
<tr>
<td></td>
<td>Hard</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Tahoe City Area 8</td>
<td>Potential</td>
<td>9,554 s.f.</td>
<td>9,554 s.f.</td>
</tr>
<tr>
<td></td>
<td>Hard</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Agate Bay Area 9 (California Portion)</td>
<td>Potential</td>
<td>9,116 s.f.</td>
<td>9,116 s.f.</td>
</tr>
<tr>
<td></td>
<td>Hard</td>
<td>558 s.f.</td>
<td>558 s.f.</td>
</tr>
</tbody>
</table>

On January 4, 2002, the California Tahoe Conservancy published the prices for potential land coverage in each hydrologic area in California for sale by CTC. The prices established by CTC are summarized on the chart set out on the following page.
CALIFORNIA TAHOE CONSERVANCY

Land Coverage Prices
As of January 4, 2002

<table>
<thead>
<tr>
<th>Hydrologic Area</th>
<th>Type of Land Coverage</th>
<th>Price Per S.F.</th>
</tr>
</thead>
<tbody>
<tr>
<td>South Stateline</td>
<td>Potential</td>
<td>$5.00</td>
</tr>
<tr>
<td>Area 4 (California Portion)</td>
<td>Hard</td>
<td>NA</td>
</tr>
<tr>
<td>Upper Truckee</td>
<td>Potential</td>
<td>$5.00</td>
</tr>
<tr>
<td>Area 5</td>
<td>Potential (Tahoe Keys)</td>
<td>$6.00</td>
</tr>
<tr>
<td></td>
<td>Hard</td>
<td>NA</td>
</tr>
<tr>
<td>Emerald Bay</td>
<td>Potential</td>
<td>$8.00</td>
</tr>
<tr>
<td>Area 6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>McKinney Bay</td>
<td>Potential</td>
<td>$7.25</td>
</tr>
<tr>
<td>Area 7</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tahoe City</td>
<td>Potential</td>
<td>$8.00</td>
</tr>
<tr>
<td>Area 8</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Agate Bay</td>
<td>Potential</td>
<td>$7.50</td>
</tr>
<tr>
<td>Area 9 (California Portion)</td>
<td>Hard</td>
<td>NA</td>
</tr>
</tbody>
</table>

The Land Coverage prices as established by the California Tahoe Conservancy for January, 2002 are unchanged since January 2001. However, in 2002, there is no hard land coverage available for sale through CTC.

In order to derive an estimate of the Market Value of land coverage in the California portion of the Lake Tahoe Basin, historical sales by the CTC were reviewed, along with the prices for land coverage established by CTC. In addition, private party transfers of land coverage in the California portion of the Lake Tahoe Basin were researched. This research involved interviews with numerous knowledgeable individuals who handle transfers of land coverage in the California portion of the Lake Tahoe Basin.

Ms. Peggy Eichhorn of Coldwell Banker McKinney & Associates was able to identify one sale of potential land coverage transferred from a parcel in the Upper Truckee hydrologic zone (Area 5). The land coverage was sold for $3.00 per square foot in October, 2002. The
sale involved approximately 30,000 square feet of Class 5 potential land coverage. The original asking price was $4.00 per square foot. This sale was also confirmed with Gary Midkiff of Midkiff & Associates.

Mr. Lew Feldman of Feldman & Shaw, a local attorney who is knowledgeable with regard to land planning in the South Lake Tahoe area, indicates that he advises clients to purchase land coverage from the California Tahoe Conservancy in almost every case.

Mr. Bob Hedley, a Realtor with Aspen Realty, indicated that he has not been involved in any sales of land coverage over the past year. He indicated to these appraisers that he would advise clients who need land coverage to contact the California Tahoe Conservancy.

Mr. Paul Kaleta of Basin Strategies, a land planning agency on the south shore of Lake Tahoe, indicated that he has not been involved with any transfers of land coverage over the past year. He did indicate that he recommends that clients needing land coverage in the California portion of the Lake Tahoe Basin to contact the California Tahoe Conservancy.

Mr. Mike Dill of Aspen Environmental, a land planning firm on the south shore of Lake Tahoe, indicated that nearly all transfers of land coverage in the California portion of the Lake Tahoe basin are handled by the California Tahoe Conservancy.

Ms. Suzanne Wilkens of K.B. Foster Engineering indicated that all land coverage transfers in the California portion of the Lake Tahoe basin handled by her firm are purchased from the California Tahoe Conservancy.

Sue Simon, a land planner on the south shore, was unable to recall any private party transfers of land coverage in the California portion of the Lake Tahoe Basin. She indicated that any transfers in the California portion of the basin are usually purchased from the California Tahoe Conservancy.
Mr. Gary Furumoto of Sagan Design indicated that he is aware of only one transfer of land coverage over the past year. This transfer went through the California Tahoe Conservancy.

Ms. Mary Gilanfarr, a Realtor on the north shore of Lake Tahoe, indicated that she has not been involved in any sales of land coverage in the California portion of the Lake Tahoe Basin during the past year.

Mr. Mike Thomas, a land planner on the north shore of Lake Tahoe, indicated that he is unaware of any transfers of land coverage during the past year.

In summary, only one private party sale of land coverage in the California portion of the Lake Tahoe Basin over the past year was identified through the interviews conducted with knowledgeable parties. This sale involved approximately 30,000 square feet of Class 5 potential land coverage for a sale price of $3.00 per square foot. The original asking price was $4.00 per square foot.

This compares with seven private party sales and two listings identified in our previous complete summary appraisal. The sale and asking prices ranged from $2.50 to $10.00 per square foot. The lowest sale prices were in Hydrologic areas 4 and 5, South Stateline and Upper Truckee, with the highest prices in Hydrologic areas 6 and 9, Emerald Bay and Agate Bay. No private party sales were found in the McKinney Bay or Tahoe City Hydrologic areas.

These sale prices compare with the prices established by the California Tahoe Conservancy, ranging from $5.00 to $8.00 per square foot. The prices established by CTC have remained flat since the previous year. The overall historical average sale price for all types of land coverage sold by the California Tahoe Conservancy since 1990 is $6.51 per square foot.
Based upon information provided by representatives of the California Tahoe Conservancy, including Mr. Bruce Eisner and Mr. Gerry Willmett, the Conservancy’s average cost to acquire land coverage has not increased since the date of valuation of our previous report. The cost is currently $6.50 per square foot, including administrative costs.

Overall, it is these appraisers’ opinion that the Market Value for land coverage in the California portion of the Lake Tahoe Basin is best reflected by the actions of the California Tahoe Conservancy. This is the same Market Value conclusion established in our previous complete summary appraisal. The supply of land coverage under the ownership of the California Tahoe Conservancy appears to be in balance with the demand. In hydrologic areas where there is an adequate supply, the CTC established prices are lower. Alternatively, in hydrologic areas where the Conservancy’s supply is somewhat limited, the established prices are increased to balance the supply-demand equation. However, the CTC has not offered any hard land coverage for sale for 2003. Accordingly, should a demand arise for hard land coverage, private party sales could begin to emerge. However, there is no market data available at the present time to estimate the Market Value of hard land coverage in the California portion of the Lake Tahoe basin.

Overall, the CTC established prices for land coverage in the various hydrologic zones as outlined previously in this report are considered to best represent Market Value in the California portion of the Lake Tahoe Basin, as of December 1, 2002. The prices established by CTC for the various classes of land coverage are summarized on the chart on the following page:
California Tahoe Conservancy  
Established Land Coverage Prices

<table>
<thead>
<tr>
<th>Hydrologic Area</th>
<th>Type of Land Coverage</th>
<th>Price Per S.F.</th>
</tr>
</thead>
<tbody>
<tr>
<td>South Stateline</td>
<td>Potential</td>
<td>$5.00</td>
</tr>
<tr>
<td>Area 4 (California Portion)</td>
<td>Hard</td>
<td>NA</td>
</tr>
<tr>
<td>Upper Truckee</td>
<td>Potential</td>
<td>$5.00</td>
</tr>
<tr>
<td>Area 5</td>
<td>Potential (Tahoe Keys)</td>
<td>$6.00</td>
</tr>
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<td></td>
<td>Hard</td>
<td>NA</td>
</tr>
<tr>
<td>Emerald Bay</td>
<td>Potential</td>
<td>$8.00</td>
</tr>
<tr>
<td>Area 6</td>
<td></td>
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<tr>
<td>McKinney Bay</td>
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<td>Tahoe City</td>
<td>Potential</td>
<td>$8.00</td>
</tr>
<tr>
<td>Area 8</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Agate Bay</td>
<td>Potential</td>
<td>$7.50</td>
</tr>
<tr>
<td>Area 9 (California Portion)</td>
<td>Hard</td>
<td>NA</td>
</tr>
</tbody>
</table>

Updated Valuation Summary – Nevada and California

In summary, it is these appraisers' opinion that the Market Value of land coverage in the Nevada portion of the Lake Tahoe Basin, as of December 1, 2002 is more than the $12.00 per square foot threshold set by the Tahoe Regional Planning Agency in May 2001. Furthermore, it is our opinion that the Market Value of land coverage in the California portion of the Lake Tahoe Basin, as of December 1, 2002 is best reflected by the prices established by the California Tahoe Conservancy, ranging from $5.00 to $8.00 per square foot.
We hope this updated appraisal meets your needs. The reader is reminded that this updated appraisal is an Addendum to our previous complete summary appraisal report. Any other use of this updated report is prohibited. Should you have questions or wish to discuss this updated report, please contact us.

Respectfully Submitted,

[Signature]

Stephen R. Johnson, MAI, SREA
Nevada Certified General Appraiser
License #00003
California Certified General Appraiser
License #AG007038

[Signature]

Lynn C. Barnett
Nevada Certified General Appraiser
License #02649
California Certified General Appraiser
License #AG025038
APPRAISERS’ CERTIFICATION

Each of the undersigned does hereby certify that, to the best of his/her knowledge and belief:

The statements of fact contained in this report are true and correct.

The reported analyses, opinions, and conclusions in this report are limited only by the reported assumptions and limiting conditions stated in this review report and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.

I have no present or prospective interest in the property that is the subject of this appraisal report and no personal interest with respect to the parties involved.

I have no bias with respect to any property that is the subject of this appraisal report or to the parties involved with this assignment.

My engagement in this assignment was not contingent upon developing or reporting predetermined results.

My compensation for completing this assignment is not contingent upon the developing or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

No one provided significant real property appraisal assistance to the persons signing this certification.

This appraisal report has been made in conformity with, and is subject to, the requirements of the Code of Professional Ethics of the Appraisal Institute and the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation.

The Appraisal Institute conducts a mandatory program of continuing education for its designated members. As of the date of this report, Stephen R. Johnson has completed the requirements under the continuing education program of the Appraisal Institute.

The Appraisal Institute has the right to review this appraisal report.
The Market Value of land coverage in the Nevada and California portions of the Lake Tahoe Basin, as of December 1, 2002, is as presented below:

**Nevada Portion of the Lake Tahoe Basin**  
More Than $12.00 Per Square Foot

**California Portion of the Lake Tahoe Basin**  
Market Value Is Best Reflected In the Prices  
Established By The California Tahoe Conservancy,  
Ranging From $5.00 to $8.00 Per Square Foot

Respectfully Submitted,

Stephen R. Johnson, MAI, SREA  
Nevada Certified General Appraiser  
License #00003  
California Certified General Appraiser  
License #AG007038

Lynn C. Barnett  
Nevada Certified General Appraiser  
License #02649  
California Certified General Appraiser  
License #AG025038
MEMORANDUM

December 31, 2002

To: TRPA Advisory Planning Commission

From: TRPA Staff

Subject: Initiation of the South Y Commercial Community Plan

Proposed Action: No action is requested of the Advisory Planning Commission (APC) on this matter. Staff is proposing to present a short presentation on the South Y Commercial Community Plan process for information purposes only. At a later date staff will bring the proposed steering committee members and the proposed work program for discussion and recommendation.

If you have any comments regarding this item contact John Hitchcock at 775-588-4547, or via email at jhitchcock@trpa.org.

jhitchcock@trpa.org